

TAB 7

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS – DALLAS DIVISION

GENERAL ELECTRIC COMPANY,
Plaintiff,

v.

Civil Action No. 3:10-CV-276-F

MITSUBISHI HEAVY INDUSTRIES, LTD., and MITSUBISHI POWER SYSTEMS AMERICAS, INC.,
Defendants

EXPERT REPORT AND DISCLOSURE
OF JULIE L. DAVIS

Submitted October 18, 2011

Confidential Business Information – Outside Attorneys' Eyes Only

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Civil Action No. 3:10-CV-276-F

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1. Background and Experience

I have been providing audit and financial consulting services to attorneys and corporate clients for over thirty-three years. The early part of my career was devoted to directing and performing independent financial audits of private and publicly held companies ranging from manufacturing entities to financial institutions. Drawing upon that background, I now consult extensively with companies involved in business and intellectual property disputes.

I have worked on numerous intellectual property cases during my career and have conducted complex studies of damages related thereto. These studies have included evaluations of lost sales, lost profits, incremental profits, manufacturing and marketing capacities, fixed and variable costs, product line profitability, price erosion, reasonable royalties, unjust enrichment, and prejudgment interest. I have testified in matters related to these studies.

In addition to intellectual property disputes, I have assisted companies in developing intellectual property strategies and managing their intellectual property portfolios. I have also conducted studies related to those portfolios including patent portfolio analyses, competitive assessments, licensing analyses, cost studies, and benchmarking studies. In addition, I have co-authored a book on the best practices used by leading companies in managing their intellectual property.

I graduated in 1978, *summa cum laude*, from Kansas State University with a Bachelor of Science degree in Business Administration and Accounting. In the same year, I earned the Gold Key in the State of Kansas for the highest score in the state on the CPA exam. I am a member of the American Institute of Certified Public Accountants, American Bar Association, and Licensing Executives Society. My curriculum vitae, which is attached as Exhibit 1, describes my professional credentials including other publications and prior testimony experience as required under Federal Rules of Civil Procedure Rule 26(a)(2)(B).

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2. Scope of Retention

The above-referenced matter relates to the alleged infringement by Mitsubishi Heavy Industries, Ltd. (“MHI”) and Mitsubishi Power Systems Americas, Inc. (“MPSA”) (collectively “Mitsubishi” or “the Defendants”) of the following U.S. patents owned by and assigned to General Electric Company (“GE”):

- U.S. Patent No. 6,879,055 B2 entitled “Base Frame for Mounting the Shaft of the Rotor of a Wind Power Plant onto the Plant Tower,” issued April 12, 2005 (“the ‘055 patent”), and
- U.S. Patent No. 7,629,705 B2 entitled “Method and Apparatus for Operating Electrical Machines,” issued December 8, 2009 (“the ‘705 patent”).¹

For the purposes of this report, I may refer to the ‘055 patent and the ‘705 patent collectively as “the patents-in-suit.”

GE alleges that the Defendants “directly, indirectly, contributorily, and/or by inducement, literally or under the doctrine of equivalents, have infringed and continue to infringe [the patents-in-suit] by their manufacture, use, sale, offer for sale, and/or importation of products and services related to variable speed wind turbines, within... the United States, that infringe one or more claims of [the patents-in-suit].”²

Davis & Hosfield Consulting LLC has been retained by Weil, Gotshal & Manges LLP (“Counsel”) on behalf of GE in the above-referenced matter to prepare analyses to assist the judge and/or jury in considering the amount of damages that GE may recover should MHI and/or MPSA be found to infringe one or more claims of a valid and enforceable patent.

I offer no opinion relating to the liability elements in this matter. However, for the purpose of forming my opinions, I have assumed that the asserted claims of the patents-in-suit are valid, enforceable, and have been infringed by Mitsubishi.

¹ Amended Complaint for Patent Infringement, May 17, 2010, pp. 3-8; U.S. Patent No. 6,879,055 B2; U.S. Patent No. 7,629,705 B2.

² Amended Complaint for Patent Infringement, May 17, 2010, pp. 3 and 6.

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My project team and I have been engaged for this assignment at the hourly billing rates of the individuals assigned plus expenses. The current hourly billing rates range from \$125 to \$575 per hour. The amount of our fees is not contingent upon the opinions expressed herein or on the outcome of this matter.

3. Information Relied Upon

My opinions are based upon information available to me as of the date of this report. I, and professionals working under my direction, have relied upon and examined documents produced by the parties, along with publicly available information. A listing of all documents considered is attached as Exhibit 2.

In addition, we reviewed the following deposition testimony:

GE

- Ronald Brzezinski, Customer Value Manager, dated June 23, 2011;
- Brian Cretti, New Unit CFO for Wind Business, dated June 22, 2011;
- Robert Letts, Transfer Pricing Director for the Energy Business and Tax Business Process Manager, dated September 23, 2011;
- Mete Maltepe, Country Executive for GE Energy in Turkey, dated July 18, 2011;
- Vincent Schellings, Project Manager for Offshore Wind, dated October 5, 2011;
- Guido Schumacher, Manager of Commercial Operations for Europe and Asia, dated July 15, 2011;
- and
- Stephen Swift, General Manager of Sales and Commercial Operations for the Renewable Energy Business, dated June 24, 2011.

Mitsubishi

- Masato Akado, Manager, Wind Turbine Business Section, Strategic Planning and Commercial Operations Department, Wind Turbine Business Divisions, Power Systems at MHI, dated April 14, 2011 and April 20, 2011;
- Koji Dobashi, Group Head of Manufacturing Planning for MHI, dated April 21, 2011;
- Masateru Komiya, Manager of Commercial Operations for MPSA, dated March 31, 2011;
- Tomohiro Numajiri, Shunin (“person in charge”) for MHI, dated April 19, 2011 and September 20, 2011;

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- Douglas Powell, Vice President of Field Operations for MPSA, dated December 16, 2010;
- Gregory Wunder, Vice President and Chief Corporate Officer for MPSA, dated July 14, 2011; and
- Akira Yasugi, Project Promotion Section Manager in the Wind Turbine business unit at MHI, dated April 13, 2011.

Third Parties

- Johnny Combs, employed by Trinity Green serving as Director of Operations for Kairos Energy under a consulting agreement, dated May 13, 2011;
- Randolph Mann, Vice President of Wind Energy Development for Edison Mission Energy, dated January 24, 2011; and
- Harmie Toren, Head of the Operation Services Department for Iberdrola Renewables, dated September 21, 2011.

We also held discussions with the following GE personnel:

- Rafael Alcalde-Navarro, GE Energy Commercial Leader for Latin America and the Western United States;
- Ragu Balanathan, Engineering Manager;
- Ronald Brzezinski, Customer Value Manager;
- Tom Flaherty, Global Materials and Operations Leader;
- Liping Guthrie, Account Manager for Power Generation Renewables;
- Dave Johnson, Sales Director for Renewable Energy;
- James Maughan, General Manager of Product Services;
- Jim McGinness, Executive IP Counsel for Renewables;
- John McGuinness, Wind Services Platform Leader; and
- Minesh Shah, Product Manager.

Finally, we also held a discussion with Dr. Andrew Swift, GE's technical expert in this matter regarding the '055 patent.

My opinions are based on my skills, knowledge, experience, education, and training, as well as information gathered by and/or provided to me as of the date of this report. It is usual and customary for experts to

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consider and/or rely upon sources of information such as those identified above and in Exhibit 2 in forming damages opinions.

I understand that I may be asked to testify regarding my opinions contained herein as well as related matters, including those raised on cross examination; those necessary to address matters raised by Mitsubishi's witnesses who testify concerning damages issues; or those otherwise raised at trial by Mitsubishi's attorneys or the Court concerning damages issues. I expect to further elaborate and expand on the content of my report as necessary to make my testimony understandable to the Court. To the extent helpful to explain, or to put in context, the subject matters discussed throughout my report, I also expect to provide further general explanations of the matters I discuss. In connection with any testimony, I may rely on materials referenced in this report and on the attachments and demonstrative exhibits to be prepared in connection with my testimony.

I understand that discovery in this matter is ongoing and new information may become available prior to trial. Therefore, I will be prepared to supplement my report in the event that any new facts that may become known to me prior to or during trial impact my opinions or the bases therefor. I am aware of my continuing obligation to supplement my report under Rule 26 of the Federal Rules of Civil Procedure.

4. Background Information

Parties to this matter

I discuss below additional information related to each of the parties in this matter.

GE

GE is a New York corporation with its principal place of business located in Fairfield, Connecticut.³ Among other things, the company "engages in the development, manufacture, and distribution of variable speed wind turbines and components."⁴ Its business segments include Energy Infrastructure, Technology Infrastructure, GE Capital, and Home & Business Solutions.⁵

³ Amended Complaint for Patent Infringement, May 17, 2010, p. 1.

⁴ Amended Complaint for Patent Infringement, May 17, 2010, p. 1.

⁵ General Electric Company Form 10-K for the fiscal year ended December 31, 2010, p. 4.

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GE describes its Energy Infrastructure business segment as “a leader in the field of development, implementation and improvement of products and technologies that harness resources such as wind, oil, gas and water.”⁶ Through this business unit, GE offers “wind turbines with rated capacities ranging from 1.5 [megawatts (“MW”) to] 4.1 MW and support services extending from development assistance to operation and maintenance.”⁷ GE’s global revenue from sales of wind turbines was approximately \$5.2 billion in 2009, \$5 billion in 2010, and estimated to be \$4.8 billion in 2011.⁸ In addition to offering wind turbines, the Energy Infrastructure segment sells products and services such as aircraft engine derivatives, gas turbines and generators, water treatment solutions for industrial and municipal water systems, and integrated electrical equipment and systems used to distribute, protect, and control energy and equipment.⁹

MHI

MHI, a Japanese corporation, with a principal place of business in Tokyo, Japan, “engages in the development, manufacture, and distribution of variable speed wind turbines and components for importation, sale, and use in the United States...through its U.S.-based subsidiary MPSA....”¹⁰ The company operates six business segments – Shipbuilding & Ocean Development, Power Systems, Machinery & Steel Structures, Aerospace, Mass and Medium-Lot Manufactured Machinery, and Others.¹¹ Within its Power Systems segment, MHI offers products and services relating to wind turbines, boilers, steam and gas turbines, and diesel engines, among others.¹² Drawing on its portfolio of wind turbines with capacities ranging from 250 kilowatts (“kW”) to 2.4 MWs, MHI has manufactured and delivered over 2,250 units worldwide.¹³

MPSA

MPSA is a Delaware corporation with its principal place of business located in Lake Mary, Florida.¹⁴ MPSA’s parent company is MHI America, Inc. which is owned by MHI.¹⁵ According to its website, MPSA is “Mitsubishi’s Western Hemisphere headquarters for versatile power generation technologies, performance-

⁶ General Electric Company Form 10-K for the fiscal year ended December 31, 2010, p. 4.

⁷ <http://www.ge-energy.com/wind>.

⁸ Deposition of Brian Cretti, June 22, 2011, pp. 34-35.

⁹ General Electric Company Form 10-K for the fiscal year ended December 31, 2010, p. 5.

¹⁰ Amended Complaint for Patent Infringement, May 17, 2010, p. 2.

¹¹ Mitsubishi Heavy Industries, Ltd. Annual Report 2010 for the year ended March 31, 2010, p. 24.

¹² Mitsubishi Heavy Industries, Ltd. Annual Report 2010 for the year ended March 31, 2010, p. 28.

¹³ http://www.mhi.co.jp/en/products/category/wind_turbine_generators.html.

¹⁴ Amended Complaint for Patent Infringement, May 17, 2010, p. 2;

<http://www.mhi.co.jp/en/power/introduction/network/index.html>.

¹⁵ Deposition of Masato Akado, April 14, 2011, p. 17.

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defining innovations and responsive service capabilities that boost uptime and reliability to new levels.”¹⁶ Using its integrated design and production capabilities for key components such as blades, gearboxes, and controls, MPSA offers wind turbines with outputs between 1 MW and 2.4 MWs.¹⁷ In addition to wind turbines, MPSA’s product offerings include gas and steam turbines, combined cycle power plants, and supercritical boilers, as well as services relating to control systems and generators.¹⁸

Wind turbines

I discuss below additional information related to wind turbines.

Wind turbines

Wind energy or power describes the process by which the wind is used to generate electricity. Wind turbines are used to convert the kinetic energy in the wind into mechanical power by using the wind to “lift” and rotate the blades, which spins a shaft connected to a generator, thus making electricity.¹⁹

Since wind energy is fueled by the wind, it is a clean fuel source which does not pollute the air like power plants that rely on coal or natural gas. In addition, wind turbines do not produce atmospheric emissions, which can lead to acid rain or greenhouse gasses. Since wind energy is abundant and renewable, it is one of the most important renewable energy technologies available today, making it one of the fastest-growing energy sources in the world.²⁰

Wind turbines consist of several blades that are attached to a nacelle.²¹ The shaft and generator, along with the gear box, controller, and brake, are contained within the nacelle, which sits atop the tower.²² The wind turbine’s generated power is transmitted to a substation on the grid which distributes the power.²³

Turbines are available in a range of sizes. Single small turbines, below 100 kW, can be used for homes, telecommunications dishes, or water pumping. Utility-scale turbines range in output, from as low as 100 kW

¹⁶ <http://www.mpshq.com/>.

¹⁷ http://www.mpshq.com/products/wind_turbines/index.html.

¹⁸ <http://www.mpshq.com/products/index.html>; <http://www.mpshq.com/service/index.html>.

¹⁹ www1.eere.energy.gov/windandhydro/wind_how.html.

²⁰ http://www1.eere.energy.gov/windandhydro/wind_ad.html.

²¹ Claim Construction Order, May 9, 2011, p. 2.

²² www1.eere.energy.gov/windandhydro/wind_how.html.

²³ Claim Construction Order, May 9, 2011, p. 2.

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to as large as several megawatts. Wind farms group larger turbines together, which provide bulk power to the electrical grid.²⁴ I understand most modern wind farms are designed as integrated power plants, where the turbines are placed together with electrical equipment necessary for the turbines to connect, and provide power, to the grid.

The accused Mitsubishi wind turbines

Mitsubishi has been accused of infringing the '055 and '705 patents "by [its] manufacture, use, sale, offer for sale, and/or importation of products and services related to variable speed wind turbines."²⁵ Specifically, Mitsubishi's MWT92/2.4, MWT95/2.4, MWT100/2.4, and MWT102/2.4 wind turbines have been identified as the accused products ("Accused Products").²⁶

"Broadly speaking, there are three components to a wind turbine. The first is the nacelle, the second is the blades, and the third is the tower."²⁷ Each of these components must be manufactured and delivered to the installation site.²⁸ As the size of wind turbines has grown, it has become harder to manufacture, ship, and assemble larger turbines, especially those with extremely heavy nacelles.²⁹

Mitsubishi's accused 2.4 MW turbines utilize a three-piece nacelle design.³⁰ The three parts are the yaw module, front module, and rear module. The yaw module is the bottom piece of the nacelle and weighs 33.8 tons.³¹ The front module is located on top of the yaw module and weighs 60.1 tons.³² The rear module is on the opposite side of the front module from where the wind turbine hub and blades appear and weighs 33.8 tons.³³ Combined as a single piece, the nacelle weighs roughly 127.7 tons.³⁴ A January 2007 Mitsubishi

²⁴ www1.eere.energy.gov/windandhydro/wind_how.html.

²⁵ Amended Complaint for Patent Infringement, May 17, 2010, pp. 3 and 6.

²⁶ Mitsubishi Heavy Industries, Ltd.'s Second Supplemental Objections and Responses to GE's First Set of Fact Discovery Interrogatories, February 16, 2011, p. 5; Mitsubishi Power Systems Americas, Inc.'s Second Supplemental Objections and Responses to GE's First Set of Fact Discovery Interrogatories, February 16, 2011, p. 5.

²⁷ Deposition of Masato Akado, April 14, 2011, p. 46.

²⁸ See, for example, MHINDTX0000003-MHINDTX0000060; Deposition of Masateru Komiya, March 31, 2011, pp. 56-62, 108.

²⁹ Discussion with Dr. Andrew Swift; Claim Construction Order, May 9, 2011, p. 2.

³⁰ Deposition of Tomohiro Numajiri, April 19, 2011, p. 20.

³¹ Deposition of Tomohiro Numajiri, April 19, 2011, p. 21; MHINDTX0000003-MHINDTX0000060 at MHINDTX0000017.

³² Deposition of Tomohiro Numajiri, April 19, 2011, p. 21; MHINDTX0000003-MHINDTX0000060 at MHINDTX0000017.

³³ Deposition of Tomohiro Numajiri, April 19, 2011, pp. 21-23; MHINDTX0000003-MHINDTX0000060 at MHINDTX0000017.

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“Technical Presentation” advertises the benefits of Mitsubishi’s design: “[t]he benefits of this method are that the 2.4MW wind turbine nacelle can be divided into proper weight modules which can be transported without using a specialized trailer. During erection, it is not necessary to use a large crane. This results in cost savings and simplicity during the transportation and construction stages.”³⁵

Regulations Governing the Interconnection of Wind Farms to the Electrical Grid

FERC Order No. 661-A

On December 12, 2005, the Federal Energy Regulatory Commission (“FERC”) issued Order No. 661-A relating to interconnection requirements for a wind generating plant.³⁶ I understand these requirements set out specific guidelines regarding the operation of wind turbine generators that are connected to the electrical grid. Specifically, Appendix G of FERC Order No. 661-A sets forth “Interconnection Requirements for a Wind Generating Plant,” including the ability of the turbine generator to remain connected during certain electrical disturbances, or faults, on the grid.

Appendix G includes two distinct requirements related to Low Voltage Ride-Through (“LVRT”) capability called “Transition Period LVRT Standard,” and “Post-transition Period LVRT Standard.”³⁷ I understand the Transition Period LVRT Standard requires that a wind turbine remain connected to the grid for a period of time where the grid voltage drops to as low as 15% of the nominal voltage (measured from the point of interconnection).³⁸ Further, I understand the Post-transition Period LVRT Standard requires that a wind turbine remain connected to the grid for a period of time where the grid voltage is as low as zero volts (measured from the point of interconnection).³⁹

The Transition Period LVRT Standard applies to turbines that meet the following criteria: (i) wind generating plants that have “interconnection agreements signed and filed with the Commission, filed with the Commission in unexecuted form, or filed with the Commission as non-conforming agreements between

³⁴ MHINDTX0000003-MHINDTX0000060 at MHINDTX0000017.

³⁵ MHINDTX0212116-MHINDTX0212131 at MHINDTX0212126.

³⁶ United States of America Federal Energy Regulatory Commission Order No. 661-A, December 12, 2005.

³⁷ United States of America Federal Energy Regulatory Commission Order No. 661-A, December 12, 2005, pp. 49-52.

³⁸ United States of America Federal Energy Regulatory Commission Order No. 661-A, December 12, 2005, pp. 49-51.

³⁹ United States of America Federal Energy Regulatory Commission Order No. 661-A, December 12, 2005, pp. 51-52.

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January 1, 2006 and December 31, 2006, with a scheduled in-service date no later than December 31, 2007, or (ii) wind generating turbines subject to a wind turbine procurement contract executed prior to December 31, 2005, for delivery through 2007.”⁴⁰ Any wind turbine that does not meet either of the above criteria is subject to the Post-transition Period LVRT Standard.⁴¹ Similar to the FERC Post-transition Period LVRT Standard, the Energy Reliability Council of Texas Operating Guide dated July 1, 2010, which applies to wind turbine generators in Texas, has a zero voltage ride-through requirement.⁴²

The patents-in-suit

I discuss below additional information related to each of the patents-in-suit.

The ‘055 patent

The ‘055 patent issued, and was assigned to GE, on April 12, 2005.⁴³ The Abstract describes a two-part base frame for the azimuthal adjustment of the gondola on the tower of the wind power plant, which facilitates transport and assembly during the erecting of wind power plants.⁴⁴ Furthermore, the patent states that

[t]he invention involves a base frame for the arrangement of a drive train on the tower of a wind power plant. The drive train is driven by a wind-driven rotor. The base frame is affixed onto the tower with an essentially horizontal orientation of the rotor axis so that it can rotate azimuthally around the essentially vertical axis of the tower and is constructed from an upper part that carries the drive train and a lower part that has an azimuthal drive device that is combined with the upper part at a connection point and functions for azimuthal rotation.⁴⁵

Generally, I understand the ‘055 patent concerns the base frame that supports wind turbines.⁴⁶ I understand from discussion with Dr. Andrew Swift, GE’s technical expert in this matter, that the base frame is the principal support structure for a wind turbine’s rotor and drive train.⁴⁷ I further understand that the ‘055 patent covers a base-frame which is designed to be manufactured and delivered in two pieces without

⁴⁰ United States of America Federal Energy Regulatory Commission Order No. 661-A, December 12, 2005, pp. 49-50.

⁴¹ United States of America Federal Energy Regulatory Commission Order No. 661-A, December 12, 2005, p. 51.

⁴² I have been informed that FERC Order No. 661-A does not apply to utilities operating in Texas, but that § 3.1.4.6.1 of the Electric Reliability Council of Texas Operating Guide requires wind farm projects in Texas to meet similar ZVRT requirements if they are subject to an interconnection agreement signed after November 1, 2008.

⁴³ U.S. Patent No. 6,879,055 B2.

⁴⁴ U.S. Patent No. 6,879,055 B2.

⁴⁵ U.S. Patent No. 6,879,055 B2.

⁴⁶ Claim Construction Order, May 9, 2011, p. 2.

⁴⁷ See also, Deposition of Vincent Schellings, October 5, 2011, pp. 43-44. The base frame is described as the part of the wind turbine that carries and supports the components of the wind turbine that generate electricity and that ensure the terminals face into the wind.

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sacrificing the ability of the base frame to handle high loads due to strong wind gusts.⁴⁸ Further, I understand that GE accuses Mitsubishi of infringing the ‘055 patent due to the design of the nacelle on the Accused Products.

The ‘705 patent

The ‘705 patent was assigned to GE after issuing on December 8, 2009.⁴⁹ The invention relates to methods and apparatus for operating electrical machines.⁵⁰ The patent describes a method for operating an electrical machine by coupling the electrical machine to a power system such that the power system is configured to transmit at least one phase of electric power to and from the electrical machine. Additionally, “[t]he method also includes configuring the electrical machine such that the electrical machine remains electrically connected to the electric power system during and subsequent to a voltage amplitude of the electric power system operating outside of a predetermined range for an undetermined period of time” including “during and subsequent to the voltage amplitude of the electric power system decreasing below the predetermined range including approximately zero volts for the undetermined period of time, thereby facilitating zero voltage ride through.”⁵¹ Thus, I understand that the ‘705 patent teaches a method for facilitating ZVRT.

5. Summary of Opinions

Based on my experience in similar matters and discussions with Counsel, I understand that, if Mitsubishi is found to have infringed at least one claim of the patents-in-suit, GE would be entitled to recover from the Defendants “damages adequate to compensate for the infringement, but in no event less than a reasonable royalty for the use made of the invention by the infringer.”⁵² If GE is successful in proving that it would have made additional sales of wind turbines “but for” Mitsubishi’s acts of infringement, GE may also be entitled to some measure of lost profits.

Based on my understanding of the facts and circumstances in this matter (and assuming liability), I have calculated damages measured as a combination of lost profits and reasonable royalties. My calculations assume that “but for” Mitsubishi offering the Accused Products to certain customers, GE would have been

⁴⁸ Discussion with Dr. Andrew Swift.

⁴⁹ U.S. Patent No. 7,629,705 B2.

⁵⁰ U.S. Patent No. 7,629,705 B2.

⁵¹ U.S. Patent No. 7,629,705 B2.

⁵² Title 35 U.S.C. § 284.

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able to capture those sales. However, not all of Mitsubishi's sales represent lost sales for GE. For those sales not subject to lost profits damages, I have calculated damages based on a reasonable royalty applied to the output measured in MWs provided by Mitsubishi's infringing sales. If the Court or jury determines that both of the patents-in-suit are infringed by Mitsubishi, I have calculated damages as summarized below:⁵³

<u>Lost Profits</u>	<u>Reasonable Royalties</u>	<u>Total Damages</u>
\$ 219,109,458	\$ 72,060,000	\$ 291,169,458

If the Court or jury determines that the appropriate measure of damages is reasonable royalties only, total damages are summarized below:⁵⁴

<u>'055 Patent</u>	<u>'705 Patent</u>	<u>Total Damages</u>
\$81,816,000	\$26,760,000	\$ 108,576,000

6. Basis and Reasoning

Lost Profits

In order to be entitled to damages calculated in the form of lost profits, GE must prove that it would have made additional sales of its own wind turbines "but for" Mitsubishi's acts of infringement. One approach used to satisfy this "but for" test is by meeting four criteria, commonly referred to as the *Panduit* factors.⁵⁵

Panduit Factors

When applying the *Panduit* test, the patentee must establish that each of the following four *Panduit* factors is met in order to obtain an award of lost profits:

1. Demand for the patented product;
2. Absence of acceptable non-infringing substitutes;

⁵³ Exhibit 3. This represents total damages (lost profits and reasonable royalties) if the Court or jury finds both patents-in-suit valid and infringed by Mitsubishi. I have also prepared schedules which calculate damages assuming only one of the patents-in-suit is valid and infringed by Mitsubishi. These calculations are summarized in the attached Exhibit 4 and Exhibit 5.

⁵⁴ Exhibit 3, Schedule B. This represents total damages (reasonable royalties only) if the Court or jury finds both patents-in-suit valid and infringed by Mitsubishi. I have also prepared schedules which calculate damages assuming only one of the patents-in-suit is valid and infringed by Mitsubishi. These calculations are summarized in the attached Exhibit 4 and Exhibit 5.

⁵⁵ *Panduit Corp. v. Stahl Bros. Fiber Works, Inc.*, 197 USPQ 726 (6th Cir.1978).

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3. Manufacturing and marketing capability to exploit demand; and
4. Amount of profit that the patentee would have made absent the infringement.

Before I discuss each of the *Panduit* factors, I provide further discussion of how I have considered lost profits specifically related to this matter. First, it is my opinion that damages in the form of lost profits are appropriate *only* if one or more claims of the '705 patent are determined to be valid and infringed. That is, I have not calculated lost profits damages related to the '055 patent. For the '055 patent, I believe that the appropriate measure of damages is a reasonable royalty only. In the event that lost profits are awarded as damages for sales of certain of the products accused of infringing the '705 patent, I believe it would not be appropriate to award reasonable royalties on those units for infringement of the '055 patent. Therefore, my lost profits opinion excludes reasonable royalty damages on units subject to lost profits.

Another important consideration for the lost profits analysis is a determination of which Mitsubishi sales would be subject to lost profits. With the exception of a single turbine installed as part of a project referred to as Flagship, all of Mitsubishi's 2.4 MW turbines that have been installed in the United States are capable of ZVRT.⁵⁶ However, not all of these Mitsubishi sales would be subject to lost profits. First, the '705 patent did not issue until December 8, 2009.⁵⁷ Therefore, any turbines installed prior to that date would not be subject to a claim of lost profits against Mitsubishi. Second, not all of the turbines reported on Mitsubishi's financial documents have been installed. For example, certain turbines intended for sale to Babcock & Brown have not been imported into the United States and were not installed.⁵⁸ In this matter, I understand lost profits are only appropriately awarded for turbines that have or will be installed. Finally, certain turbines sold by Mitsubishi to Iberdrola Renewables ("Iberdrola") contained features not available on GE's turbines. In his deposition, Harmie Toren of Iberdrola noted that the Mitsubishi turbines that were installed at the Penascal project sites were the only turbines that were suitable for the project's location in Texas due to the high winds associated with potential hurricanes.⁵⁹ As such, GE would not likely have been able to place its own turbines at that location. Similarly, I understand that technical reasons would have precluded GE from selling its 2.5 MW turbine to Edison Mission Energy ("EME") for use at the Pinnacle project. Further, space constraints would have precluded GE from placing its 1.5 MW turbines at that site. After taking into account the above factors,

⁵⁶ Deposition of Akira Yasugi, April 13, 2011, pp. 15-18.

⁵⁷ U.S. Patent No. 7,629,705 B2.

⁵⁸ Response of Mitsubishi Power Systems Americas, Inc. to Plaintiff's Interrogatories Regarding Indirect Infringement, April 26, 2010, pp. 20-21.

⁵⁹ Deposition of Harmie Toren, September 21, 2011, pp. 68-69.

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only certain turbines that were sold and/or installed for Iberdrola and EME in 2010 and 2011 are subject to lost profits.

Also important to the consideration of lost profits is an understanding of the internal rate of return (“IRR”) analysis performed by wind turbine project developers and others in the industry. Mr. Toren of Iberdrola explained that IRR is the rate of return earned after considering the costs for capital expenditures, the initial construction, and the revenues earned by the project.⁶⁰ He elaborated about the three primary factors that influence IRR: the cost of the wind turbine and the balance of plant⁶¹ equipment (referred to collectively as the capital cost), the purchase price of the power generated by the turbines, and the number of MW hours that are actually produced given the site conditions and the output of the particular turbines located at the site.⁶² Mr. Toren indicated that the following factors were particularly relevant to the IRR calculation: capital expenditures or capital cost, the revenue generated by selling the power, and most importantly the efficiency of the turbine which is referred to as net capacity factor.⁶³ I understand that this type of IRR analysis is performed by all wind turbine project developers. For example, Randolph Peter Mann testified that EME conducts an “internal investment approval process” that relates to finding wind turbines that are economically viable at a particular site.⁶⁴

A final and important consideration related to lost profits is the process by which wind energy projects are originated and developed. Mr. Mann described this process generally indicating it “really starts with origination, to find project opportunities, and then move them through the evaluation and permitting and preparation phase, marketing of the power for sale to the utilities, organizing them for construction and procurement, and then going through an internal investment approval process.”⁶⁵ Mr. Toren of Iberdrola further described the portion of the development process that relates to the “interconnection queue.”

The interconnection agreement refers to the process by which the wind farm operator obtains approval from the utility to connect its electrical equipment with the grid.⁶⁶ In order to be placed into the interconnection

⁶⁰ Deposition of Harmie Toren, September 21, 2011, p. 28.

⁶¹ “Balance of plant” refers to those components, equipment and services that surround the wind turbine at a project site. Examples include roads, collector systems, turbine foundations, substations and other ancillary devices and services. See Deposition of Harmie Toren, September 21, 2011, p. 41.

⁶² Deposition of Harmie Toren, September 21, 2011, p. 29.

⁶³ Deposition of Harmie Toren, September 21, 2011, pp. 136-137.

⁶⁴ Deposition of Randolph Peter Mann, January 24, 2011, pp. 11-12.

⁶⁵ Deposition of Randolph Peter Mann, January 24, 2011, p. 11.

⁶⁶ Deposition of Harmie Toren, September 21, 2011, pp. 106-107.

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queue, the developers need to first file the interconnection agreement.⁶⁷ The interconnection queue determines how quickly a developer can obtain approval for its wind farm.⁶⁸ As Mr. Toren explained, the interconnection queue operated as “a list of independent power producers that are available to connect to a grid. And in order to get into that queue you need to file in advance of your desire the number of megawatts, the size of the wind farm, location, and some other parameters around which it will operate.”⁶⁹ Mr. Toren noted that his company would sometimes need to file interconnection agreements with the utilities “as much as five to six years” before the wind farm would be commissioned.⁷⁰

Among other things, the interconnect agreement would include certain requirements that the wind farm would have to meet, including FERC Order No. 661-A that mandates ZVRT.⁷¹ I understand that when filing an interconnection agreement, the developer is required to identify the model of turbine that it plans to install and provide technical information to the utility such that the utility can determine whether the proposed wind farm will meet its operating requirements.⁷² I further understand that in order for a developer to change the primary pieces of electrical equipment, such as the turbine or substation equipment, it must request approval from the utility and submit technical documents to show that the change in equipment will not change the electrical operation of the wind farm. If the change is material, such that it may affect the project’s ability to comply with FERC grid code requirements, the developer’s project may get pushed back in the queue.⁷³

With this background information in mind, I now discuss the individual *Panduit* factors. Although the determination as to whether these factors have been met is a matter for the fact finder to decide, I have detailed my observations regarding each factor as follows:

1. *Demand for the patented product*

I understand demand can be demonstrated by showing significant sales of the patented product. In this matter, I believe that there is significant demand for both GE and Mitsubishi’s wind turbines that practice the

⁶⁷ Deposition of Harmie Toren, September 21, 2011, p. 35.

⁶⁸ Deposition of Harmie Toren, September 21, 2011, p. 121-122.

⁶⁹ Deposition of Harmie Toren, September 21, 2011, p. 35.

⁷⁰ Deposition of Harmie Toren, September 21, 2011, p. 122.

⁷¹ Deposition of Harmie Toren, September 21, 2011, p. 107.

⁷² See, for example, Deposition of Harmie Toren, September 21, 2011, pp. 35, 107 and 117.

⁷³ Discussion with with Ragu Balanthan; Deposition of Harmie Toren, September 21, 2011, pp. 35-36.

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technology of the '705 patent. Further, the technology covered by the '705 patent is a driver of demand for both sets of products.

I understand that the '705 patent enables ZVRT capability for wind turbines. In addition, FERC Order No. 661-A mandates that "[a] wind generating plant shall be able to remain online during voltage disturbances up to the time periods and associated voltage levels set forth in the standard...."⁷⁴ Thus, beginning in 2008, the ability to achieve ZVRT was a requirement for any wind generating plant.

In 2006, before the FERC requirement became active, GE recognized that the requirements set forth in the order included ZVRT capability and began to include that as a standard feature on its wind turbines.⁷⁵ Mete Maltepe, Country Executive for GE Energy in Turkey, was asked what prompted the decision to make ZVRT a standard feature on GE's wind turbines. He responded, "... it was a FERC requirement, which basically meant practically that option needed to be applied on every turbine, so we just made it a standard option."⁷⁶ Ronald Brzezinski, Customer Value Manager for GE, stated that ZVRT was developed "[t]o meet customer requirements."⁷⁷ He expounded that "[i]t's a requirement to install on the grid to have zero voltage ride through. And so if a wind turbine is going to – in the Americas, in the United States, if it's going to go onto that grid, it has to meet that requirement [FERC Order No. 661-A]."⁷⁸

Mitsubishi also recognized the importance of ZVRT relative to its ability to sell wind turbines in the United States. Akira Yasugi, Project Promotion Section Manager at MHI, stated that LVRT and ZVRT are important features of its 2.4 MW turbines "[b]ecause there have been an increasing number of cases in the past few years in which LVRT is a requirement when connecting to a grid."⁷⁹ Within the last two years, MHI has not offered a 2.4 MW wind turbine without LVRT or ZVRT for sale in the United States. In addition, aside from a single project for a single turbine, none of MHI's customers has ever requested a 2.4 MW turbine in the United States without LVRT or ZVRT capability.⁸⁰ Indeed, an internal MHI presentation identified

⁷⁴ United States of America Federal Energy Regulatory Commission Order No. 661-A, December 12, 2005, p. 49.

⁷⁵ Deposition of Mete Maltepe, July 18, 2011, p. 70. Mr. Maltepe believed that the transition from an option pricing to being part of the standard offer occurred in 2006, for wind turbines to be shipped in 2008.

⁷⁶ Deposition of Mete Maltepe, July 18, 2011, pp. 8 and 61.

⁷⁷ Deposition of Ronald J. Brzezinski, June 23, 2011, pp. 5 and 16.

⁷⁸ Deposition of Ronald J. Brzezinski, June 23, 2011, pp. 16-17.

⁷⁹ Deposition of Akira Yasugi, April 13, 2011, pp. 11 and 98.

⁸⁰ Deposition of Akira Yasugi, April 13, 2011, p. 103.

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LVRT/ZVRT as an innovative technology regarding Mitsubishi's 2.4 MW wind turbines.⁸¹ MHI's Mr. Yasugi indicated that if Mitsubishi did not offer LVRT and ZVRT, "the probability of [Mitsubishi] receiving an order would decrease...[and that] if [Mitsubishi's] price was very cheap, it's possible that [it] would be able to sell even without [LVRT and ZVRT]."⁸² Gregory Wunder, Vice President and Chief Corporate Officer for MPSA, had stronger views concerning this issue. He indicated that in order for MPSA to be able to bid on projects in the United States, and therefore sell its wind turbines, it is "mandatory" that those turbines be compliant with the ZVRT standard.⁸³

From 2010 through the first quarter of 2011, GE has sold 1,880 1.5 MW and 1.6 MW wind turbines in the U.S. resulting in approximately \$4.3 billion of sales.⁸⁴ MHI has sold to MPSA 495 2.4 MW wind turbines from 2007 to 2009, generating approximately \$1.08 billion in sales.⁸⁵ From 2008 through 2010, MPSA has sold these 495 wind turbines for \$1.78 billion in sales.⁸⁶

2. *Absence of acceptable non-infringing substitutes*

The second *Panduit* factor that must be proven in order to claim lost profits under the *Panduit* test is the absence of products that the marketplace would find acceptable as a substitute for the patented product. In order to be an acceptable substitute, a product must have the advantages of the patented invention that were important to customers, and must not infringe the patents-in-suit. If no such products are deemed available, then an absence of acceptable non-infringing substitutes exists. In this matter, the "marketplace" consists of Iberdrola and EME.

I understand that other wind turbine manufacturers also provide turbines that include ZVRT functionality. I further understand that ZVRT capability may be provided in a manner similar to that provided by GE and Mitsubishi, where ZVRT is implemented in the control system of each turbine, or utilizing a solution where ZVRT is implemented at the substation.

⁸¹ Mitsubishi Heavy Industries, Ltd. Presentation slides re: Mitsubishi Wind Turbine (Bates # MPSANDTX0002707-MPSANDTX0002755 at MPSANDTX0002716 and MPSANDTX0002721).

⁸² Deposition of Akira Yasugi, April 13, 2011, p. 99.

⁸³ Deposition of Gregory Wunder, July 14, 2011, pp. 76-77.

⁸⁴ Appendix A, Schedule 2B.

⁸⁵ Appendix C, Schedule 1.

⁸⁶ Appendix B. These sales exclude the 456 turbines and \$232 million in revenues that were subject to settlement agreements (See Appendix B, Schedule 3).

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However, this latter potentially non-infringing substitute would not have been acceptable to Iberdrola and EME. First, implementing this solution would require the procurement of additional power electronic components along with a redesign of the civil and electrical layout required to coordinate the use of this additional equipment, which could take anywhere between 12 and 18 months.⁸⁷ I also understand that a wind farm developer who uses a solution at the substation faces increased risk of farm-wide electrical failure because there is a single point of failure instead of many, and therefore many wind farm developers will install additional substation equipment for redundancy.⁸⁸ Finally, I also understand it is unlikely that an electrical utility in the United States would consider the use of this solution to be equivalent to the solution covered by the ‘705 patent, and the utility would likely require a wind farm developer proposing this solution to submit testing and certification data before being permitted to connect to the grid.⁸⁹ Therefore, it is reasonable to assume that neither Iberdrola nor EME would consider the use of this solution to be an acceptable alternative to the method for accomplishing ZVRT that is disclosed in the ‘705 patent.

Furthermore, because redesigning the civil and electrical layout of a wind farm to accommodate the use of additional equipment would likely require resubmitting the new layout to the utility for approval, I understand that a developer attempting to use additional equipment at the substation to meet the operating requirements for ZVRT may lose its place in the interconnection queue, resulting in a potential delay.⁹⁰

I now discuss additional information pertinent to Iberdrola and EME individually:

Iberdrola

The Elm Creek II and Juniper Canyon project sites of Iberdrola account for 63 and 62 units of Mitsubishi 2.4 MW wind turbines, respectively.⁹¹ All 125 of these turbines were provided by Mitsubishi to Iberdrola pursuant to a Framework Agreement entered into in 2006.⁹² GE believes that “but for” Mitsubishi’s presence in the market after the issuance of the ‘705 patent, Iberdrola would have chosen GE to supply the turbines at Elm Creek II and Juniper Canyon. As discussed below, I am aware of evidence supporting this view.

⁸⁷ Discussion with Ragu Balanathan.

⁸⁸ Discussion with Ragu Balanathan.

⁸⁹ Discussion with Ragu Balanathan.

⁹⁰ Discussion with Ragu Balanathan; Deposition of Harmie Toren, September 21, 2011, pp. 35-36.

⁹¹ Deposition of Harmie Toren, September 21, 2011, pp. 14-15.

⁹² Deposition of Harmie Toren, September 21, 2011, pp. 15-16.

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Likely suppliers to Iberdrola

In late 2007, or the beginning of 2008, Iberdrola was attempting to expand its pipeline of turbine supply from 500 MWs per year to 1,000 MWs per year.⁹³ According to Mr. Toren, only three suppliers had capacity at that time – GE, Mitsubishi, and Suzlon.⁹⁴ However, Iberdrola considered Suzlon to be a tier-three supplier and therefore not a preferred supplier.⁹⁵ Consequently, Iberdrola excluded Suzlon from its consideration, and chose to contract with GE and Mitsubishi.⁹⁶ Subsequent to this decision, in June 2008, Gamesa and Iberdrola entered into a supply agreement covering 4,500 MWs of capacity to be delivered to projects in Europe, Mexico, and the United States between 2010 and 2012.⁹⁷ Mr. Toren indicated that Iberdrola had not purchased all of the capacity available under this agreement.⁹⁸ Therefore, absent Mitsubishi, the most likely suppliers for the 300 MWs to be supplied to Elm Creek II and Juniper Canyon would be GE or Gamesa.

Iberdrola has a demonstrated preference for GE turbines

Historically, GE had been the preferred provider of wind turbines to Iberdrola.⁹⁹ For example, a GE market presentation from 2010 indicates GE's market share of Iberdrola purchases to be 36% as compared to 21% for Gamesa.¹⁰⁰ This preference for GE's turbines was related in large part to the superior net capacity factor of the GE turbine.¹⁰¹ Mr. Toren testified that a high net capacity factor has a significant effect on the IRR calculation performed by Iberdrola when it is deciding which turbines to purchase or install at a particular site.¹⁰² Further, GE's 1.5 MW turbines are already installed at Iberdrola's Elm Creek I¹⁰³ and Leaning Juniper¹⁰⁴ sites. I understand the proximity of Elm Creek II and Juniper Canyon to Elm Creek I and Leaning Juniper respectively, could increase efficiencies and reduce the overall maintenance costs for both projects.¹⁰⁵

⁹³ Deposition of Harmie Toren, September 21, 2011, pp. 84-85.

⁹⁴ Deposition of Harmie Toren, September 21, 2011, pp. 85-86.

⁹⁵ Deposition of Harmie Toren, September 21, 2011, pp. 21-22.

⁹⁶ Deposition of Harmie Toren, September 21, 2011, pp. 21-22, 85 and 88.

⁹⁷ <http://www.renewableenergyworld.com/rea/news/article/2008/06/iberdrola-signs-4500-mw-wind-deal-52812>.

⁹⁸ Deposition of Harmie Toren, September 21, 2011, pp. 81-82.

⁹⁹ Deposition of Harmie Toren, September 21, 2011, pp. 134-135.

¹⁰⁰ GENDTX03219508.

¹⁰¹ Deposition of Harmie Toren, September 21, 2011, pp. 136-137.

¹⁰² Deposition of Harmie Toren, September 21, 2011, pp. 136-137.

¹⁰³ Deposition of Harmie Toren, September 21, 2011, pp. 70-71.

¹⁰⁴ http://www.iberdrolarenewables.us/rel_06.05.24b.html: PPM Announces 100 MW Leaning Juniper Wind Project.

¹⁰⁵ Discussion with Dave Johnson.

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Further, in 2010 when Iberdrola would have been selecting a turbine supplier to replace Mitsubishi, GE's turbines were favored by financiers "due to the perceived bankability of their turbine projects."¹⁰⁶ An Emerging Energy Research 2010 Report notes that "[t]he track record of products such as the GE 1.5, which has an average 98% availability fleet-wide, has allowed developers to secure financing more easily in the risk-adverse market."¹⁰⁷ This report further elaborated that "[w]hen the recession tightened credit markets and forced developers to turn to bankable turbines, GE was well-positioned...."¹⁰⁸

Using Gamesa's turbines may have had adverse effects on the developer's timeline

As discussed above, wind energy project developers file an interconnection agreement to be placed into the interconnection queue. Mr. Toren noted that when Iberdrola is in its development process, "[it] is extremely important...to get into the queue of interconnects. That process can take quite some time."¹⁰⁹ In some cases, the interconnection agreement is filed five to six years in advance of the proposed interconnect.¹¹⁰ He also noted that if the interconnection agreement is modified, for example by substituting the manufacturer of the wind turbine, the developer could be placed at the back of the queue and lose its capability of connecting to the electrical grid.¹¹¹ I understand that without being able to connect to the grid, the wind energy project will not be able to generate revenue which will have a negative effect on the IRR analysis.

When Iberdrola originally filed the interconnection request for the Elm Creek II and Juniper Canyon project sites, it had to identify a certain type of generating unit.¹¹² Iberdrola filed each of the interconnection agreements naming GE's 1.5 MW turbines.¹¹³ As the date of the installation approached, Iberdrola filed requests with the U.S. Department of Energy to substitute Mitsubishi's 2.4 MW turbines in place of the GE 1.5 MW turbines.¹¹⁴

¹⁰⁶ GENDTX04748337-GENDTX04748570 at GENDTX04748536: "U.S. Wind Power Markets and Strategies, 2010-2025," Emerging Energy Research, May 2010.

¹⁰⁷ GENDTX04748337-GENDTX04748570 at GENDTX04748536: "U.S. Wind Power Markets and Strategies, 2010-2025," Emerging Energy Research, May 2010.

¹⁰⁸ GENDTX04748337-GENDTX04748570 at GENDTX04748562: "U.S. Wind Power Markets and Strategies, 2010-2025," Emerging Energy Research, May 2010.

¹⁰⁹ Deposition of Harmie Toren, September 21, 2011, pp. 114-115.

¹¹⁰ Deposition of Harmie Toren, September 21, 2011, p. 122.

¹¹¹ Deposition of Harmie Toren, September 21, 2011, pp. 35-36.

¹¹² Deposition of Harmie Toren, September 21, 2011, pp. 114-115 and 128.

¹¹³ Deposition of Harmie Toren, September 21, 2011, p. 130.

¹¹⁴ Deposition of Harmie Toren, September 21, 2011, pp. 114-117.

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I am not aware of any evidence suggesting that such substitution would have been technically feasible using any other manufacturer's turbine (aside from GE or Mitsubishi) for the Elm Creek II and Juniper Canyon project sites. I understand that if Mitsubishi had attempted to substitute a turbine produced by yet another supplier other than GE or Mitsubishi (for example, Gamesa), it may have lost its place in the interconnection queue, resulting in a potential delay. I understand this delay could drive the IRR of that project down, possibly to the point where development would no longer be economically feasible.

EME

EME's project site in Dewey County, Oklahoma (the "Taloga project") accounts for 54 of Mitsubishi's 2.4 MW wind turbine sales. These 54 units translate to 129.6 MWs of output. GE believes that "but for" Mitsubishi's presence in the market after the issuance of the '705 patent, EME would have chosen GE to supply the turbines at the Taloga project. As discussed below, I am aware of evidence supporting this view.

I understand that after Mitsubishi and EME entered into a contract for the supply of these wind turbines, certain disputes arose, and each party filed a Complaint against the other in the Superior Court of the State of California for the County of Orange.¹¹⁵ During the EME/Mitsubishi litigation, EME stated its concern that "it most likely would be impossible for the Taloga project to be completed, which would result in a total waste of years of efforts to build the project and a loss in benefit of the green energy [EME] hoped to develop at the project."¹¹⁶

While the EME/Mitsubishi litigation was pending, EME reached out to GE and requested a budgetary price quote for 81 of GE's 1.6 MW wind turbines.¹¹⁷ These 81 units represent the same 129.6 MWs of output that Mitsubishi was contracted to deliver to EME for the Taloga project. Additionally, in a follow-up email, EME

¹¹⁵ Settlement Agreement, Mutual Release and Amendment to Wind Turbine Generator Supply Agreement between Mitsubishi Power Systems Americas, Inc., Mitsubishi Heavy Industries, Ltd., and Edison Mission Energy, October 8, 2010 (Bates # MPSANDTX0269657-MPSANDTX0269705 at MPSANDTX0269657-MPSANDTX0269658).

¹¹⁶ Declaration of Karen House in Support of Plaintiff Edison Mission Energy's Motion for Preliminary Injunction, July 6, 2010 (Bates # EDISON MISSION 0000627-EDISON MISSION 0000631 at EDISON MISSION 0000630).

¹¹⁷ Email from Delnaz Marvasti to Liping Guthrie re: Budgetary Price Quote, August 9, 2010. (GENDTX07693209-GENDTX07693212).

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stated that the project would require these turbines to be delivered in 2011 to a wind farm in Oklahoma “25 miles north of Clinton on I-40.”¹¹⁸

These negotiations progressed to the point where GE and EME discussed major contractual issues relating to the Taloga project, and EME presented the project to its board of directors.¹¹⁹ EME’s options were to: 1) continue to work with MHI because of the risk associated with changing suppliers, with the understanding that settlement would be a risky proposition; or 2) execute a contract with GE for the 129.6 MWs of output and deal with the dispute with MHI later.¹²⁰

In an internal GE email from October 2010, Liping Guthrie, Account Manager for GE, stated that “[o]nce they decide not to settle with MHI, they would only come to GE, because they believe GE is the only party they can rely on to deliver & execute on time. This is critical for the Taloga project, because PPA expires September 1, 2011, & EME wants COD 6/31/2011, just to be on the safe side.”¹²¹

3. *Manufacturing and marketing capability to exploit demand*

The third *Panduit* factor considers that the patentee is only entitled to lost profits for those sales it would have been capable of making. The patentee must prove it had the capacity both to manufacture and market the additional products in order to ensure the sale.

Manufacturing Capacity

I understand that GE’s assembly plants had sufficient capacity to produce the additional wind turbines that would have resulted from the sales to Iberdrola and EME. From 2009 to 2011, GE’s assembly plants were capable of manufacturing 100 to 110 of its 1.5 MW wind turbines per week. Assuming 48 weeks of production, GE’s annual manufacturing capability ranges between 4,800 and 5,280 1.5 MW wind turbines. Approximately 90% of this manufacturing capability is captured within the three plants located in the U.S.¹²²

¹¹⁸ Email from Delnaz Marvasti to Liping Guthrie re: Budgetary Price Quote, August 9, 2010. (GENDTX07693209-GENDTX076932012).

¹¹⁹ Email from Rafael Alcalde-Navarro to Liping Guthrie, et al. re Taloga Ts and Cs, October 6, 2010 (GENDTX07693369-GENDTX07693370).

¹²⁰ Email from Rafael Alcalde-Navarro to Liping Guthrie, et al. re: Taloga Ts and Cs, October 6, 2010 (GENDTX07693369-GENDTX07693370).

¹²¹ Email from Liping Guthrie to Rafael Alcalde-Navarro, et al. re: EME Taloga Update, October 7, 2010 (GENDTX07693112-GENDTX07693113).

¹²² GENDTX07693882.

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In addition, these manufacturing facilities utilized only 33% to 42% of available capacity during the damages period.¹²³ Indeed, according to Stephen Swift, General Manager of Sales and Commercial Operations for the Renewable Energy Business at GE, “... as a business, we’ve had capacity in place to deliver 3,200 units globally and of that, 400 of them went outside the U.S. So we’ve had capacity in the past for 2,800 units, but again, we’ve not hit our physical limits.”¹²⁴

In 2010 and 2011, GE would have had to manufacture an additional 282 wind turbines to capture sales lost to Mitsubishi “but for” the alleged infringement.¹²⁵ Based on discussion with Tom Flaherty, Global Materials and Operations Leader at GE, I understand that this quantity would have been within the manufacturing capacity of assembly plants used by GE. I also understand that there were no constraints related to the supply of components used in the manufacture of wind turbines.¹²⁶

Related to marketing capability, both GE and Mitsubishi sell to and compete for the same customers within the wind energy market. As explained in the *Panduit* Factor 2 section above, GE and Mitsubishi competed against each other in their attempts to secure wind turbine supply contracts with Iberdrola and EME. It is clear that GE had the marketing capacity for the specific projects that I have included in lost profits.

4. *Amount of profit that the patentee would have made absent the infringement*

To calculate the amount of lost profits suffered by the patentee, the appropriate sales revenues must be determined and the costs associated with making those sales should be deducted. This profit calculation should only consider the costs that would have increased with the production and sale of additional product. These costs are often referred to as incremental costs, and the resulting margin is called an incremental profit margin.

For purposes of this report, I have assumed that “but for” Mitsubishi’s presence in the market, certain supply contracts awarded to Mitsubishi would instead have been awarded to GE. Specifically, as discussed above, I have assumed GE would have been able to capture sales made by Mitsubishi to Iberdrola and EME in 2010

¹²³ GENDTX07693882.

¹²⁴ Deposition of Stephen L. Swift, June 24, 2011, p. 140.

¹²⁵ Exhibit 3, Schedule A1.

¹²⁶ GENDTX07692935-GENDTX07693031 at GENDTX07692965: GE 2009 Growth Playbook.

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and 2011. I describe below certain aspects of the lost profits calculation. Further details are provided in the attached schedules.

Lost GE units

But for Mitsubishi's sales of infringing 2.4 MW wind turbines to Iberdrola, I have assumed GE would have sold its 1.5 SLE MW wind turbines.¹²⁷ Similarly, but for the infringing sales by Mitsubishi, I have assumed GE would have sold its 1.6 MW turbine to EME.¹²⁸ Since these competing products have different outputs in megawatts, I have calculated the number of GE wind turbines necessary to match the output provided by Mitsubishi's 2.4 MW products. In order to match the total of 429.6 MWs provided by the 179 Mitsubishi turbines, GE would have sold 201 units of its 1.5 MW turbine and 81 units of its 1.6 MW turbine.¹²⁹

"But for" GE revenue

On a per megawatt basis, GE's selling price was lower than Mitsubishi's during the damages period. For example, during 2010, GE's selling price for its 1.5 SLE model wind turbines (the model that it would have sold to Iberdrola) was approximately \$1.53 million per MW.¹³⁰ For 2010, MPSA's selling price for those 2.4 MW turbines it delivered was approximately \$1.78 million per MW.¹³¹

I have assumed for purposes of the lost profits calculation that GE would have sold its turbines to Iberdrola at the average price at which it sold the same model to other U.S. customers. In 2010, the average selling price of GE's 1.5 MW SLE model wind turbine was \$2,289,202 per unit.¹³²

For the purposes of the lost profits calculation, I have assumed that GE would have sold its turbines to EME at the same unit price offered by GE to EME, which was \$1,720,000 per turbine.¹³³

¹²⁷ GENDTX07664330-GENDTX07664337 at GENDTX07664330: Proposal from Ignacio Martin Negrete of GE to Imanol Barquin of Iberdrola.

¹²⁸ GENDTX0763209-GENDTX0763212 at GENDTX0763212.

¹²⁹ Exhibit 3, Schedule A1.

¹³⁰ Appendix A.

¹³¹ Appendix B.

¹³² Appendix A.

¹³³ GENDTX07692799-GENDTX07692800.

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“But for” incremental profit

GE incurred incremental costs of \$1,293,660 per unit on each sale of its 1.5 MW SLE wind turbines for 2010.¹³⁴ Similarly, GE incurred incremental costs of \$1,485,364 on its sales of 1.6 MW XLE turbines in 2011.¹³⁵ Deducting these per unit costs from the expected selling prices discussed above results in a per unit incremental profit margin of \$995,542 for GE’s lost sales of the 1.5 MW turbines to Iberdrola and \$234,636 for GE’s lost sales of the 1.6 MW turbines to EME.¹³⁶

Additionally, I understand GE would have generated additional revenue and profits from sales of maintenance agreements, software upgrades, and replacement parts.¹³⁷ I have not included these expected lost profits in this calculation.

Lost Profits Summary

Applying the metrics above results in total lost profits related to the lost Iberdrola and EME turbines of \$200,103,942 and \$19,005,516 respectively.¹³⁸

As explained above, lost profits would not be an appropriate measure of damages for all sales of the accused products. For those remaining sales, damages would be measured as a reasonable royalty which I discuss next.

Reasonable Royalty

I understand that, if Mitsubishi is found to have infringed the patents-in-suit, GE is entitled to recover “damages adequate to compensate for the infringement, but in no event less than a reasonable royalty for the use made of the invention by the infringer.”¹³⁹ In my determination of a reasonable royalty, I have considered a number of factors, including those identified in the *Georgia-Pacific* case.¹⁴⁰ One of the most important of the fifteen *Georgia-Pacific* factors is the last factor, a hypothetical negotiation pictured to take place between

¹³⁴ Exhibit 3, Schedule A1.

¹³⁵ Exhibit 3, Schedule A1.

¹³⁶ Exhibit 3, Schedule A1.

¹³⁷ Discussion with John McGuinness and James Maughan.

¹³⁸ Exhibit 3, Schedule A1.

¹³⁹ Title 35 U.S.C. § 284.

¹⁴⁰ *Georgia-Pacific v. United States Plywood Corp.*, 318 F. Supp. 1116, 1121 (S.D.N.Y.), *modified and aff’d*, 446 F. 2d 295 (2d Cir. 1971).

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a willing licensee and willing licensor as of the date of first infringement. I describe below the key issues that I believe would be particularly important to the hypothetical negotiators and then detail my observations regarding all of the *Georgia-Pacific* factors and their effect on the hypothetical negotiation between the parties.

I understand that in considering and analyzing the *Georgia-Pacific* factors, I am allowed to use the “book-of-wisdom” to consider events and facts that happened subsequent to the date of the hypothetical negotiation.¹⁴¹

The hypothetical negotiations

It is my opinion that separate negotiations would take place for the ‘055 and ‘705 patents. Those negotiations would result in separate royalties for each of the two patents. The relative contributions of the technology of the patents-in-suit, as well as the dates of first infringement, are sufficiently different, making it likely that the hypothetical negotiators would choose to handle them separately. To the extent that an accused product is found to have infringed both of the patents-in-suit, the related royalties would be additive.

Dates of the hypothetical negotiations

I understand that the hypothetical negotiation between the parties would have taken place around the date of first infringement of the patents-in-suit.

‘055 patent

The ‘055 patent issued on April 12, 2005.¹⁴² MPSA’s first executed contract for the sale of an accused 2.4 MW turbine occurred on August 1, 2006.¹⁴³ The first accused 2.4 MW wind turbine to be imported, installed

¹⁴¹ See *Lucent Techs., Inc. v. Gateway, Inc.*, 580 F.3d 1301, 1333 (Fed. Cir. 2009) (citing *Fromson v. W. Litho Plate & Supply Co.*, 853 F.2d 1568 (Fed. Cir. 1988), *overruled on other grounds by Knorr-Bremse Systeme Fuer Nutzfahrzeuge GmbH v. Dana Corp.*, 383 F.3d 1337, 1343-44 (Fed. Cir. 2004) (en banc)). In explaining the book-of-wisdom in *Fromson*, the court stated:

Determining a fair and reasonable royalty is often, as it was here, a difficult judicial chore, seeming often to involve more the talents of a conjurer than those of a judge. Lacking adequate evidence of an established royalty, the court was left with the judge-created methodology described as ‘hypothetical negotiations between willing licensor and willing licensee.’ ...

The methodology encompasses fantasy and flexibility; fantasy because it requires what warring parties would have agreed to as willing negotiators; flexibility because it speaks of negotiations of the time infringement began, *yet permits and often requires a court to look to events and facts that occurred thereafter and that could not have been known to or predicted by the hypothesized negotiators.*” (Emphasis added.)

¹⁴² U.S. Patent No. 6,879,055 B2.

¹⁴³ Response of Mitsubishi Power Systems Americas, Inc. to Plaintiff’s Interrogatories Regarding Indirect Infringement, April 26, 2010, p. 19.

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and commissioned¹⁴⁴ occurred in 2007.¹⁴⁵ I have assumed the hypothetical negotiation for a license to the ‘055 patent would have occurred in 2006.

‘705 patent

The ‘705 patent issued on December 8, 2009.¹⁴⁶ The first accused 2.4 MW wind turbine to be commissioned subsequent to the ‘705 patent’s issuance occurred in April 2010.¹⁴⁷ Therefore, I have assumed the hypothetical negotiation for a license to the ‘705 patent would have occurred in early 2010.

Parties to the negotiation

The parties to the hypothetical negotiations would be GE, the owner of the patents-in-suit at the time, and Mitsubishi.

Royalty structure

Patent licenses can be structured in several different ways. Some incorporate a “running royalty,” which is typically calculated based upon the number of units sold of the licensed products or their net sales value expressed in monetary (dollar) amounts. Running royalties require the determination of the royalty base as well as the royalty rate that will be applied to that base. Others require lump sum amounts paid upfront or periodically during the term of the license, sometimes in addition to a running royalty. In this matter, I believe that the hypothetical license would be structured with a per MW royalty based on the power output of the accused wind turbines sold by Mitsubishi in the U.S. Such a structure is consistent with other licenses I have reviewed in this matter.

Royalty base

The royalty base for each of the patents-in-suit is summarized in the charts below. This royalty base does not include those revenues from sales of wind turbines that I have included in my lost profits calculation:¹⁴⁸

¹⁴⁴ Commissioning is the process by which the turbine supplier “sets the parameters within the turbine, ensures that it’s operating correctly, ensures that the owner has connected the turbine in accordance with...” the supplier’s requirements and establishes that the turbine is in proper functioning condition. See Deposition of Harmie Toren, September 21, 2011, pp. 49-51.

¹⁴⁵ Response of Mitsubishi Power Systems Americas, Inc. to Plaintiff’s Interrogatories Regarding Indirect Infringement, April 26, 2010, p. 19; Deposition of Harmie Toren, September 21, 2011, pp. 9-10.

¹⁴⁶ U.S. Patent No. 7,629,705 B2.

¹⁴⁷ Response of Mitsubishi Power Systems Americas, Inc. to Plaintiff’s Interrogatories Regarding Indirect Infringement, April 26, 2010, p. 7.

¹⁴⁸ Exhibit 3, Schedule A4.

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	<u>2010</u>	<u>2011</u>	<u>Total</u>
Royalty Base in MWs - '705 Patent	50.4	55.2	105.6

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Total</u>
Royalty Base in MWs - '055 Patent	393.6	314.4	1,144.8	55.2	1,908

If the Court or jury determines that damages based on only a reasonable royalty are appropriate, the royalty base is summarized below:¹⁴⁹

	<u>2010</u>	<u>2011</u>	<u>Total</u>
Royalty Base in MWs - '705 Patent	350.4	184.8	535.2

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Total</u>
Royalty Base in MWs - '055 Patent	393.6	314.4	1,444.8	184.8	2,337.6

In my determination of an appropriate royalty rate in this matter, I believe several considerations would be particularly important to the hypothetical negotiators, including:

- Relative importance of the patented technology to Mitsubishi and its customers;
- Guidance provided by existing licenses;
- Relationship between GE and Mitsubishi;
- Profitability of the relevant products;
- Other indicators of value; and
- Cost savings enabled by the patents-in-suit.

I address each of these considerations below.

Relative importance of the patented technology to Mitsubishi and its customers

I would expect the hypothetical negotiators to start their deliberations by first trying to understand the relative importance of the patented technology to Mitsubishi.

¹⁴⁹ Exhibit 3, Schedule B1.

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'055 patent

As discussed above, I understand the '055 patent relates to a particular type of base frame used in a wind turbine, and that such a base frame facilitates transport and assembly during the erecting of wind power plants.¹⁵⁰

The technology of the '055 patent was critical to Mitsubishi. At the time it was developing the accused 2.4 MW turbine, Mitsubishi's assembly factory utilized a crane that had a lifting limit of 60 tons.¹⁵¹ This weight restriction is considerably less than the weight of the completed nacelle of the accused wind turbine. The mass of the yaw module, front module, and rear module when combined into a single piece is approximately 127.7 tons.¹⁵² If Mitsubishi were to use a one-piece nacelle on its 2.4 MW wind turbine, it would have required a larger crane.¹⁵³ Specifically, Mitsubishi noted in a design presentation given to Global Energy Concepts that

MHI has given serious thought to the difficulty of transporting and erecting a large MW machine. Their strategy of separating the nacelle into three separate components, each weighing less than 60 MT, allows the use of trucks and cranes that are commonly used for turbines in the 1-2 MW range. A 450-ton crane, as opposed to a 650-ton crane that would be required to lift the pre-assembled front and rear nacelle, is readily available in North America and represents significant savings in leasing costs.¹⁵⁴

In addition to the larger crane, Mr. Dobashi, MHI's Group Head of Manufacturing Planning, testified that "...the layout of the entire plant would need to be changed. Meaning if you change where something is placed, then other things would need to be changed as well...."¹⁵⁵ Mr. Dobashi went on to explain the importance of the three-piece nacelle to Mitsubishi when he stated "[a] large wind turbine was created and...there were limitations imposed by the factory, limitations imposed by transport. So we were forced to make it the size we did.... In the end [the nacelle] became three-piece. We were forced to make [the nacelle] into three pieces."¹⁵⁶

¹⁵⁰ U.S. Patent No. 6,879,055 B2.

¹⁵¹ Deposition of Koji Dobashi, April 21, 2011, pp. 11-12.

¹⁵² MHINDTX0000003-MHINDTX0000060 at MHINDTX0000017.

¹⁵³ Deposition of Koji Dobashi, April 21, 2011, p. 20.

¹⁵⁴ MHINDTX1025726-MHINDTX1025748 at MHINDTX1025740-MHINDTX1025741.

¹⁵⁵ Deposition of Koji Dobashi, April 21, 2011, pp. 18-19.

¹⁵⁶ Deposition of Koji Dobashi, April 21, 2011, pp. 23-24.

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In addition to the constraints imposed by Mitsubishi's factory, having the nacelle divided into three modules makes the transportation of the nacelle easier and less expensive.¹⁵⁷ It also potentially allows for delivery to sites that would otherwise be inaccessible if the nacelle were in a single piece.¹⁵⁸ Mr. Numajiri, Shunin at MHI, agreed that the three-piece nacelle enables easier transportation since each of the pieces is lighter and smaller than the combined nacelle.¹⁵⁹ I understand that if Mitsubishi were transporting a single piece nacelle of the same size as its assembled three piece nacelle, it would need to use a 19-axle truck. Not only are there additional costs related to use of a 19-axle truck, there is also limited availability of trucks that large. In December 2009, GE estimated that there were only 35 to 40 19-axle trucks available in North America.¹⁶⁰

Perhaps most importantly, were Mitsubishi to change the base frame, it would have required redesigning the entire nacelle, as the bed frame is the principal support structure for a wind turbine's rotor and drive train and is responsible for absorbing the stresses due to high wind speeds.¹⁶¹ I understand that it takes approximately 15 to 24 months to perform the six major phases of the design process for a new nacelle.¹⁶² This estimate is consistent with the experience of both GE and Mitsubishi. It took GE from October 2000 until early 2002 to have the first working prototype of its 3.6 MW nacelle.¹⁶³ More recently, Mitsubishi conceived a new nacelle design for its 2.4 MW turbine sometime in 2009, but only manufactured its first prototype this past August.¹⁶⁴ Therefore, were Mitsubishi to attempt to design around the '055 patent, it would have to delay production and delivery of its 2.4 MW turbine for approximately 15 to 24 months.

Ultimately, the negotiators would recognize that a license to the '055 patent was critical to Mitsubishi at the time of the hypothetical negotiation. Without such a license, Mitsubishi would have been forced to use a single-piece nacelle. Due to the restrictions imposed by its factory, Mitsubishi would have been unable to remove the nacelle from the factory in order to transport it to customers without redesigning its factory and purchasing additional equipment such as a larger crane. Mitsubishi would also likely prefer to use the three-piece nacelle to avoid the increased costs and logistical challenges associated with a larger, one-piece version.

¹⁵⁷ Deposition of Akira Yasugi, April 13, 2011, pp. 94-95.

¹⁵⁸ Deposition of Akira Yasugi, April 13, 2011, p. 97; Yasugi Exhibit 50: MHINDTX0456169-MHINDTX0456232 at MHINDTX0456203.

¹⁵⁹ Deposition of Tomohiro Numajiri, April 19, 2011, p. 43.

¹⁶⁰ GENDTX07692734.

¹⁶¹ Discussion with Dr. Andrew Swift.

¹⁶² Discussion with Dr. Andrew Swift.

¹⁶³ Deposition of Vincent Schellings, October 5, 2011, pp. 174-177.

¹⁶⁴ Deposition of Tomohiro Numajiri, September 20, 2011, pp. 11-12; Mitsubishi Wind Turbine Development Technical Forum 2009: MHINDTX3920944-MHINDTX3920972 at MHINDTX3920946.

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Alternatively, Mitsubishi could have attempted to redesign its nacelle to be constructed with multiple parts, but in a manner that did not infringe the '055 patent, but that too would have resulted in significant delays at a time when the market had significant demand.¹⁶⁵ Mitsubishi thus would have been willing to pay a higher royalty to avoid the time and cost involved in redesigning its nacelle and delaying delivery of its 2.4 MW machine for 15 to 24 months.

'705 patent

As discussed above, I understand the '705 patent relates to a method of implementing ZVRT. As discussed in the lost profits section of this report, this technology is critical to Mitsubishi's ability to make sales of the accused 2.4 MW turbines in the U.S. For example, an MHI presentation titled "Mitsubishi Wind Turbine" identified certain innovative technology including the 2.4 MW turbine's LVRT/ZVRT electrical performance. The presentation states that the "2.4 MW turbine's capability to ride through low voltage conditions in accordance with FERC requirements has been verified...."¹⁶⁶ MHI's Mr. Yasugi indicated that if Mitsubishi did not offer LVRT and ZVRT, "the probability of [Mitsubishi] receiving an order would decrease...[and that] if [Mitsubishi's] price was very cheap, it's possible that [it] would be able to sell even without [LVRT and ZVRT]."¹⁶⁷ Gregory Wunder, Vice President and Chief Corporate Officer for MPSA, had stronger views concerning this issue. He indicated that in order for MPSA to be able to bid on projects in the United States, and therefore sell its wind turbines, it is "mandatory" that those turbines be compliant with the ZVRT standard.¹⁶⁸

Mitsubishi's customers also recognized the importance of ZVRT. EME felt that it was important for the turbines it was considering purchasing from Mitsubishi to comply with the LVRT requirements, including the "control capability to allow the turbine to continue uninterrupted automatic operation in the event of brief voltage dips or drop-outs."¹⁶⁹ In fact, with the exception of a single project that had one turbine, no Mitsubishi customer in the United States has ever requested a 2.4 MW turbine without LVRT and ZVRT capabilities.¹⁷⁰ At least since April 2009, MHI has not even offered a 2.4 MW turbine in the U.S. that does not include LVRT or ZVRT.¹⁷¹

¹⁶⁵ Discussion with Dr. Andrew Swift.

¹⁶⁶ MPSANDTX0002707-MPSANDTX0002755 at MPSANDTX0002716.

¹⁶⁷ Deposition of Akira Yasugi, April 13, 2011, p. 99.

¹⁶⁸ Deposition of Gregory Wunder, July 14, 2011, pp. 76-77.

¹⁶⁹ Deposition of Randolph Peter Mann, January 24, 2011, pp. 25-26.

¹⁷⁰ Deposition of Akira Yasugi, April 13, 2011, p. 103.

¹⁷¹ Deposition of Akira Yasugi, April 13, 2011, p. 103.

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I note that GE also recognized the importance of ZVRT to its ability to make wind turbine sales. Mr. Brzezinski testified that “...a grid feature is a requirement to connect to the grid. If you have it, you can sell your turbines for that project. If you don’t have it, you’re not considered to be able to sell your turbines to that project.”¹⁷² ZVRT is a type of grid feature Mr. Brzezinski was referring to, as it is a mandatory requirement for wind farm projects installed in the United States. Mr. Maltepe also recognized the importance of meeting grid code requirements at project sites. He indicated that “if technically it doesn’t fit, it’s kind of a no-brainer.... The technical fit is if it doesn’t fit, you won’t have a transaction, and so [the technical fit is] very important.”¹⁷³ He further elaborated saying “...[i]f you can’t integrate to the grid, this project has no value.... [I]f there is no technical solution to integrate to the grid, then the customer wouldn’t purchase. So it’s very, very important.”¹⁷⁴

Guidance provided by existing licenses

After understanding the relative importance of the patented technology, the hypothetical negotiators would look for guidance in other licenses involving one or more of the parties.

Mitsubishi Licenses

I am aware of two licenses entered into by Mitsubishi that relate to wind turbine technology. As discussed later in this report, one of these licenses, involving TPI, VienTek, and Mitsubishi, involves related entities as the licensee and licensor. As such, this license would not be informative to the hypothetical negotiators.

In addition to the TPI license, MHI has also entered into a license agreement with Thomas A. Wilkins. Effective December 18, 2009, Mr. Wilkins granted to MHI a non-exclusive license under U.S. Patent No. 6,921,985 relating to LVRT for wind turbine generators.¹⁷⁵ The rights granted allow for MHI to make and sell wind turbines within the scope of the ‘985 patent in the United States.¹⁷⁶ In consideration of the license

¹⁷² Deposition of Ronald Brzezinski, June 23, 2011, p. 38.

¹⁷³ Deposition of Mete Maltepe, July 18, 2011, p. 33. Technical fit included meeting the grid code requirements. See Deposition of Mete Maltepe, July 18, 2011, pp. 34-35.

¹⁷⁴ Deposition of Mete Maltepe, July 18, 2011, p. 58.

¹⁷⁵ MHINDTX3903592-MHINDTX3903602: Quitclaim Nonexclusive License Agreement between Thomas A. Wilkins and Mitsubishi Heavy Industries, Ltd., dated December 18, 2009; U.S. Patent No. 6,921,985.

¹⁷⁶ MHINDTX3903592-MHINDTX3903602 at MHINDTX3903592-MHINDTX3903593: Quitclaim Nonexclusive License Agreement between Thomas A. Wilkins and Mitsubishi Heavy Industries, Ltd., dated December 18, 2009.

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granted, MHI agreed to pay an up-front license fee of \$1,000,000 and a running royalty of \$2,500 per MW for each licensed wind turbine imported into the United States.¹⁷⁷

This license would also not be informative to the hypothetical negotiators. First, unlike the competitive relationship between GE and Mitsubishi, the agreement was made between a claimed inventor and promoter. Thus, all else being equal, the compensation Wilkins received is lower when compared to an agreement reached between competitors in the same marketplace.

Also, there is a dispute regarding the actual ownership interest possessed by the licensor to this agreement. Specifically, GE has sued Mitsubishi in a separate lawsuit for infringement of other patents at the U.S. International Trade Commission.¹⁷⁸ In that lawsuit, I understand that Mitsubishi claimed that Wilkins should have been named as an inventor of the '985 patent. Indeed, according to the agreement, "Wilkins... desires to grant Licensee a nonexclusive license under *whatever* [emphasis added] interest he possesses in the '985 patent...."¹⁷⁹ Mitsubishi entered into this agreement to avoid the potential risk of being precluded from importing wind turbines which customers had already purchased.¹⁸⁰ Clearly, the circumstances surrounding the consummation of this agreement differ from the agreement GE and Mitsubishi would have entered into as a result of the hypothetical negotiation.

GE Licenses

Though not related to the technology of the patents-in-suit, GE has entered into numerous license agreements covering other wind turbine technologies. Certain of these agreements were entered into in the context of a settlement of an ongoing litigation. Settlement agreements are generally not instructive in determining the outcome of a hypothetical negotiation because the risk factors driving settlement of litigation can rarely be separated from the economics of the license alone. These agreements are summarized in Appendix F.

GE has also entered into several agreements that are structured as cross-licenses. Often times, cross-licenses are not instructive in determining the outcome of a hypothetical negotiation since it is difficult to isolate the

¹⁷⁷ MHINDTX3903592-MHINDTX3903602 at MHINDTX3903593-MHINDTX3903594: Quitclaim Nonexclusive License Agreement between Thomas A. Wilkins and Mitsubishi Heavy Industries, Ltd., dated December 18, 2009.

¹⁷⁸ Deposition of Masato Akado, April 20, 2011, pp. 114-115.

¹⁷⁹ MHINDTX3903592-MHINDTX3903602 at MHINDTX3903592: Quitclaim Nonexclusive License Agreement between Thomas A. Wilkins and Mitsubishi Heavy Industries, Ltd., dated December 18, 2009.

¹⁸⁰ Deposition of Masato Akado, April 20, 2011, pp. 119-120.

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value of any one technology. However, in this case, since GE received a royalty free license to certain technology in each of these agreements, it is reasonable to assume that without that license to GE, the other party would have paid a higher royalty rate for access to GE's technology as compared to what the agreement states. These agreements are discussed further in *Georgia-Pacific* factor one later in this report, and are summarized in Appendix F.

Finally, GE has also entered into agreements that are structured as a traditional patent license agreement. These agreements are summarized in Appendix F and discussed below:

GE Power Technology LLC ("GE Power") and Americas Wind Energy, Inc. ("Americas Wind Energy")

On May 11, 2005, GE Power agreed to grant to Americas Wind Energy a non-exclusive license under U.S. and Canadian patents covering variable speed wind turbine technology. The grant included the right and privilege to make, use, lease, sell, and offer for sale wind turbine products with a power producing rated capacity between 150 KW and less than 1 MW in the U.S. and Canada.¹⁸¹ In consideration of the license granted by GE Power, Americas Wind Energy agreed to pay a royalty of \$32,500 per MW for each sale or shipment of a licensed product.¹⁸²

GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc., (collectively "GE Infrastructure"), and Fuhrländer AG ("Fuhrländer")

Under this agreement, in April 2006, GE Infrastructure granted Fuhrländer a non-exclusive license and right under two U.S. patents covering variable speed wind turbine technology "to make, have made, use, sell, service, lease or otherwise dispose of Licensed Products, and components thereof," in the United States and Canada. Additionally, Fuhrländer was granted the option to include technologies covered by 35 foreign patents within its licensed products, provided that all payment obligations were fulfilled.¹⁸³

In exchange for the rights granted by GE Infrastructure, Fuhrländer agreed to pay a royalty of \$14,000 per MW for each unit of Licensed Product sold. Once Fuhrländer had paid \$11,000,000 in aggregate royalties, its

¹⁸¹ License Agreement between GE Power Technology LLC and Americas Wind Energy, Inc., dated May 11, 2005 (Bates # GENDTX00104868-GENDTX00104877 at GENDTX00104868-GENDTX00104869).

¹⁸² License Agreement between GE Power Technology LLC and Americas Wind Energy, Inc., dated May 11, 2005 (Bates # GENDTX00104868-GENDTX00104877 at GENDTX00104870, GENDTX00104876).

¹⁸³ Patent License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc., and Fuhrländer AG, dated April 19, 2006 (Bates # GENDTX00105019-GENDTX00105028 at GENDTX00105020-GENDTX00105021).

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payment obligations would terminate.¹⁸⁴ Beginning three years from the effective date of the agreement, this \$11,000,000 royalty cap was to increase by 2.5% annually.¹⁸⁵

GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc., (collectively “GE Infrastructure”) and Harrington License Company, LLC (“Harrington”)

GE Infrastructure and Harrington executed this license agreement in April 2006. Under the terms of the agreement, GE Infrastructure granted a non-exclusive license under U.S. Patent No. 5,083,039 covering technology related to variable speed wind turbines. The license included the right to make and sell wind turbines generating less than 1.25 MWs in the United States and Canada.¹⁸⁶

Harrington agreed to pay GE Infrastructure a royalty of \$25,000 per MW for the first 100 MWs capacities of licensed products. For additional capacities in excess of 100 MWs, Harrington agreed to pay a royalty of \$20,000 per MW.¹⁸⁷ Furthermore, the parties agreed that beginning in 2008, the royalties would increase by 3% annually.¹⁸⁸

GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc., (collectively “GE Infrastructure”) and EU Energy Inc. (“EU Energy”)

On October 6, 2006, GE Infrastructure and EU Energy entered into a license agreement regarding technologies covering variable speed wind turbines and components, and improvements and variations thereof. Specifically, GE Infrastructure granted a non-exclusive license under eight U.S. patents and its foreign counterparts to make, use, and sell D6 and D8 wind turbines and components. The rights granted

¹⁸⁴ Patent License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc., and Fuhrländer AG, dated April 19, 2006 (Bates # GENDTX00105019-GENDTX00105028 at GENDTX00105021).

¹⁸⁵ Patent License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc., and Fuhrländer AG, dated April 19, 2006 (Bates # GENDTX00105019-GENDTX00105028 at GENDTX00105023).

¹⁸⁶ Patent License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc., and Harrington License Company, LLC, dated April 27, 2006 (Bates # GENDTX00105055-GENDTX00105076 at GENDTX00105055-GENDTX00105056, GENDTX00105063).

¹⁸⁷ Patent License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc., and Harrington License Company, LLC, dated April 27, 2006 (Bates # GENDTX00105055-GENDTX00105076 at GENDTX00105057).

¹⁸⁸ Patent License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc., and Harrington License Company, LLC, dated April 27, 2006 (Bates # GENDTX00105055-GENDTX00105076 at GENDTX00105059).

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apply to sales of EU Energy's licensed products within the United States and certain foreign countries where the licensed patents have issued.¹⁸⁹

In consideration of the rights granted by GE Infrastructure, EU Energy agreed to pay an initial fee of \$6,000,000 for 280 MWs of wind turbine capacity. For licensed products sold in excess of 280 MWs, EU Energy agreed to pay a royalty of \$25,000 per MW.¹⁹⁰

GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc., (collectively "GE Infrastructure") and AAER, Inc. ("AAER")

GE Infrastructure and AAER entered into this license agreement in April 2007. Within the terms of the agreement, GE Infrastructure granted a non-exclusive license under two U.S. patents and its counterparts relating to variable speed wind turbines to AAER.¹⁹¹ Under this non-exclusive license, AAER was granted the right and privilege to make and sell its 1.5 MW A-1500 model wind turbine, or an optimized model with an output of up to 1.65 MWs, within the United States, Canada, and Mexico.¹⁹²

AAER agreed to pay an initial fee of \$3,750,000 for 150 MWs in exchange for the rights granted by GE Infrastructure. For licensed products sold in excess of 150 MWs, AAER agreed to pay \$30,000 per MW.¹⁹³ Beginning in 2008, the parties agreed that the royalty fee shall increase by 3% annually.¹⁹⁴

¹⁸⁹ Patent License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc., and EU Energy Inc., dated October 6, 2006 (Bates # GENDTX00104933-GENDTX00104957 at GENDTX00104933-GENDTX00104934, GENDTX00104942-GENDTX00104943).

¹⁹⁰ Patent License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc., and EU Energy Inc., dated October 6, 2006 (Bates # GENDTX00104933-GENDTX00104957 at GENDTX00104934, GENDTX00104944).

¹⁹¹ Patent License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc., and AAER, Inc., dated April 9, 2007 (Bates # GENDTX00104847-GENDTX00104866 at GENDTX00104847-GENDTX00104848, GENDTX00104858).

¹⁹² Patent License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc., and AAER, Inc., dated April 9, 2007 (Bates # GENDTX00104847-GENDTX00104866 at GENDTX00104849, GENDTX00104862- GENDTX00104864).

¹⁹³ Patent License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc., and AAER, Inc., dated April 9, 2007 (Bates # GENDTX00104847-GENDTX00104866 at GENDTX00104849, GENDTX00104860).

¹⁹⁴ Patent License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc., and AAER, Inc., dated April 9, 2007 (Bates # GENDTX00104847-GENDTX00104866 at GENDTX00104851).

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I believe the hypothetical negotiators would conclude that the non-settlement and non-cross licenses available to them would provide guidance in terms of the potential structures for a license, as well as be helpful in determining a royalty rate between the parties. In particular, they would recognize that:

- The majority of the licenses entered into by the parties were structured on a royalty per MW basis.
- The royalty rate ranged from \$14,000 and \$32,500 per MW. Applying these rates to Mitsubishi's 2.4 MW wind turbine would have resulted in royalty rates ranging from \$33,600 to \$78,000 per turbine.
- The technologies at issue in these licenses are not comparable to the patents-in-suit. While the technology licensed by GE under these licenses was likely important to the licensee, I understand it was not a technology necessary in order for the licensee to be able to make sales of its products as is the case with the '705 patent in particular.¹⁹⁵ In addition, Mitsubishi would have needed to reconfigure its plant and redesign the nacelle for its turbines in order to avoid infringement of the '055 patent at a time when the market had significant demand. Therefore, the rates in these licenses are lower than would be expected for a hypothetical license to either of the patents-in-suit.

Relationship between GE and Mitsubishi

Personnel from both GE and Mitsubishi recognize that they are competitors in the field of manufacturing and selling wind turbines. Masateru Komiya, Assistant Manager of Commercial Operations for MPSA, recognized that when MPSA submits a bid to provide wind turbines, it may be competing against GE.¹⁹⁶ GE documents and personnel also indicate that GE and Mitsubishi are competitors. GE's Wind 2006 Volume and Americas Commercial Strategy Review specifically identifies MHI as a competitor.¹⁹⁷ Additionally, in certain GE licenses, MHI was identified as "...a direct competitor of LICENSOR's GE Wind Energy business in the manufacture and sale of wind turbines...."¹⁹⁸ Stephen Swift, General Manager of Sales and Commercial Operations for the Renewable Energy Business at GE, testified that GE considers anyone who provides a wind turbine to be a potential competitor.¹⁹⁹ Mr. Swift elaborated that "[i]f a customer were...considering Mitsubishi's turbine, yes, [GE] would consider them a competitor and a main competitor in that transaction."²⁰⁰

¹⁹⁵ Discussion with Jim McGinness.

¹⁹⁶ Deposition of Masateru Komiya (30(b)(6)), March 31, 2011, p. 107.

¹⁹⁷ Swift Exhibit 7: GEWT00737722-GEWT00737750 at GEWT00737741.

¹⁹⁸ See, for example, license between AAER Inc. and GE Infrastructure Technology International Inc.: GENDTX00104847-GENDTX00104866 at GENDTX00104848-GENDTX00104849.

¹⁹⁹ Deposition of Stephen Swift, June 24, 2011, p. 152.

²⁰⁰ Deposition of Stephen Swift, June 24, 2011, p. 153.

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The views of wind turbine purchasers also indicate that GE and Mitsubishi are competitors. Johnny Combs, in his deposition on behalf of Kairos Energy (“Kairos”), testified that Kairos considered purchasing wind turbines from both GE and Mitsubishi, among others.²⁰¹ Similarly, in the deposition of Harmie Toren on behalf of Iberdrola, Mr. Toren testified that as he was trying to fill Iberdrola’s wind turbine supply pipeline, he developed relationships with numerous manufacturers, including GE and Mitsubishi.²⁰² Finally, both GE and MPSA have supplied wind turbines to EME.²⁰³ In fact, GE and Mitsubishi provided competing bids to EME in 2006 for delivery of wind turbines in 2008 and 2009.²⁰⁴

Profitability of the relevant products

GE manufactures and sells 1.5 and 1.6 MW wind turbines in the United States which practice the technologies covered by the ‘705 patent. However, these turbines do not utilize the technologies covered by the ‘055 patent.²⁰⁵ For 2010 and the first quarter of 2011, GE’s sales and profitability of its wind turbines sold in the United States are below:²⁰⁶

	Units	Revenue	Contribution Margin
2010	1,710	\$ 3,960,260,622	\$ 1,640,953,193
2011	170	365,788,496	147,731,224
Total	1,880	\$ 4,326,049,118	\$ 1,788,684,417
<i>As a % of Revenue</i>			<i>41.3%</i>

GE’s per unit sales of its wind turbines sold in the United States are below:²⁰⁷

	Per Unit	
	Price	Contribution Margin
2010	\$ 2,315,942	\$ 959,622
2011	2,151,697	869,007
Total	\$ 2,301,090	\$ 951,428

²⁰¹ Deposition of Johnny Combs, May 13, 2011, p. 15.

²⁰² Deposition of Harmie Toren, September 21, 2011, pp. 12-13.

²⁰³ Appendix A, Schedule 2A; Appendix B, Schedule 2.

²⁰⁴ GENDTX07664222-GENDTX07664225; EDISON MISSION 0000040-EDISON MISSION 0000049.

²⁰⁵ From my discussion with Dr. Andrew Swift, I understand that GE does not use a two-piece base frame on its 1.5MW wind turbine sold in the United States because the nacelle of the 1.5MW turbine is significantly lighter and therefore, splitting the base frame for transportation is not necessary.

²⁰⁶ Appendix A, Schedule 2A and Schedule 2B.

²⁰⁷ Appendix A, Schedule 2A and Schedule 2B.

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MHI manufactures the Accused Products in Japan and makes sales in the United States through its subsidiary, MPSA.²⁰⁸ MHI's sales and profitability from the Accused Products are listed below:²⁰⁹

	<u>Units</u>	<u>Revenue</u>	<u>Gross Margin</u>
2007	1	\$ 2,106,148	\$ (1,078,552)
2008	285	555,506,767	31,318,808
2009	209	520,229,783	48,465,445
Total	495	\$ 1,077,842,698	\$ 78,705,701
<i>As a % of Revenue</i>			<i>7.3%</i>

On a per unit basis, MHI's sales and profitability of the Accused Products are below:²¹⁰

	<u>Price</u>	<u>Gross Margin</u>
2007	\$ 2,106,148	\$ (1,078,552)
2008	1,949,147	109,891
2009	2,489,138	231,892
Total	\$ 2,177,460	\$ 159,001

MPSA's sales and profitability from the Accused Products are below:²¹¹

	<u>Units</u>	<u>Revenue</u>	<u>Gross Margin</u>
2008	164	\$ 535,870,098	\$ 19,232,389
2009	185	621,532,858	34,983,684
2010	146	623,629,692	49,354,608
Total	495	\$ 1,781,032,648	\$ 103,570,681
<i>As a % of Revenue</i>			<i>5.8%</i>

On a per unit basis, MPSA's sales and profitability of the Accused Products are below:²¹²

²⁰⁸ Amended Complaint for Patent Infringement, May 17, 2010, p. 2.

²⁰⁹ Appendix C, Schedule 1.

²¹⁰ Appendix C, Schedule 1.

²¹¹ Appendix B.

²¹² Appendix B.

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	Per Unit	
	Price	Gross Margin
2008	\$ 3,267,501	\$ 117,271
2009	3,359,637	189,101
2010	4,271,436	338,045
Total	\$ 3,598,046	\$ 209,234

For those projects completed by MPSA in 2010, Mitsubishi's financial documents indicate an enterprise gross profit of \$510,528.²¹³

Other indicators of value

Option pricing for ZVRT

GE first offered ZVRT capability in its wind turbines as a purchasable option to its customers.²¹⁴ When deciding what price to charge for the technology, GE performed an avoided cost analysis by looking at the potential expenses of the additional equipment that would be needed to provide similar functionality.²¹⁵ In addition to the avoided cost analysis, GE also examined what the market would pay for this option.²¹⁶ The result of these analyses was an option price of \$40,000 or \$60,000 per turbine.²¹⁷ Mr. Brzezinski believed the option price charged to customers to be \$60,000.²¹⁸ According to Mr. Brzezinski, GE customers' perception of the price for this option was positive.²¹⁹

GE's option price for ZVRT was not always \$60,000. According to Mr. Swift, the option was introduced in the 2006 or 2007 time frame at a cost of \$40,000 per turbine. The price of the option increased over time as turbine prices were increasing and due to a potential evaluation of an alternative cost to comply.²²⁰

GE's contracts for the sale of wind turbines illustrate the upward trend of ZVRT pricing in the 2005 and 2006 time frame. The January 19, 2005 Contract for Sale of Wind Turbine Generators with Field Engineering

²¹³ Appendix D.

²¹⁴ Deposition of Ronald Brzezinski, June 23, 2011, pp. 26-27.

²¹⁵ Deposition of Ronald Brzezinski, June 23, 2011, pp. 26-27.

²¹⁶ Deposition of Stephen Swift, June 24, 2011, pp. 30-31.

²¹⁷ Deposition of Ronald Brzezinski, June 23, 2011, p. 27; Deposition of Stephen Swift, June 24, 2011, p. 28-30.

²¹⁸ Deposition of Ronald Brzezinski, June 23, 2011, p. 27.

²¹⁹ Deposition of Ronald Brzezinski, June 23, 2011, p. 29.

²²⁰ Deposition of Stephen Swift, June 24, 2011, p. 29-30.

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Services for the Kaheawa Wind project specified a ZVRT option price of \$25,000 per turbine.²²¹ The December 8, 2005 Contract for the Sale of Power Generation Equipment and Related Services for the Pakini Nui project specified a ZVRT option price of \$45,000 per turbine.²²² Contracts entered into in June and October of 2006 with Airtricity, Inc. and Noble Power respectively, specified ZVRT option prices of \$60,000 per turbine.²²³

Once FERC mandated that beginning in 2008 wind turbines comply with ZVRT, GE incorporated the price into the standard product offering.²²⁴ As Mr. Maltepe testified, the ZVRT option became “a FERC requirement, which...meant...that option needed to be applied on every turbine, so we just made it a standard option.”²²⁵ Mr. Maltepe believed that the transition from an optional pricing to being part of the standard offer occurred in 2006, for wind turbines to be shipped in 2008.²²⁶

Economic Analysis of Transfer of Intangible Property within GE

In February 2005, PricewaterhouseCoopers LLP (“PWC”) provided GE with a report titled “Economic Analysis of Transfer of Intangible Property.”²²⁷ According to this report, GE Wind Energy (“GE Wind”) sought to transfer its intangible property portfolio to Global Technology Company (“GTC”), another GE subsidiary.²²⁸ The PWC report was written to determine if the contemplated lump-sum payment from GTC to GE Wind was in accordance with certain tax regulations and transfer pricing rules.²²⁹ PWC concluded that the \$102 million payment from GTC to GE Wind for intangible property was consistent with its findings that an arm’s-length payment would be between \$78.2 million and \$126.7 million.²³⁰ PWC imputed royalty rates of 1.6% to 2.6% based on this range of lump-sum values.²³¹ This royalty rate would have covered GE Wind’s entire intellectual property portfolio in 2004, including know-how, patents, patent applications, and other types of intellectual property.²³²

²²¹ GENDTX00102743-GENDTX00102866 at GENDTX00102756.

²²² GENDTX00000025-GENDTX00000063 at GENDTX00000029.

²²³ GENDTX00000662-GENDTX00000755 at GENDTX00000709; GENDTX00072693-GENDTX0072765 at GENDTX00072748.

²²⁴ Deposition of Ronald Brzezinski, June 23, 2011, p. 28.

²²⁵ Deposition of Mete Maltepe, July 18, 2011, p. 61.

²²⁶ Deposition of Mete Maltepe, July 18, 2011, p. 70.

²²⁷ GENDTX05538060-GENDTX05538157.

²²⁸ GENDTX05538060-GENDTX05538157 at GENDTX05538063.

²²⁹ GENDTX05538060-GENDTX05538157 at GENDTX05538063.

²³⁰ GENDTX05538060-GENDTX05538157 at GENDTX05538065.

²³¹ GENDTX05538060-GENDTX05538157 at GENDTX05538065.

²³² Deposition of Robert Letts, September 23, 2011, p. 46; GENDTX05533669-GENDTX05533671.

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Robert Letts, GE's Transfer Pricing Director for the Energy Business and Tax Business Process Manager, indicated that this report does not accurately reflect the value of GE's intellectual property as of today.²³³ Similarly, I do not believe the royalty rates calculated by PWC would be representative of the outcome of the hypothetical negotiations. First, it is important to note that the '705 patent was not applied for until October 2006.²³⁴ Therefore, any royalty rates arrived at in the PWC report do not reflect the value of GE's ZVRT patent. Second, the methodology used by PWC appears to have relied heavily on the profits of GE Wind.²³⁵ At the time the PWC analysis was completed, GE Wind was "struggling [and] losing money."²³⁶ Since that time, Mr. Letts estimates that the value of GE's wind business has increased tenfold and is now profitable.²³⁷ Indeed, he explains that "[t]he market has changed significantly. The technology has improved, and the profits of the business and the value of the underlying [intellectual property] has gone up."²³⁸

Cost savings enabled by the patents-in-suit

'705 patent

I have discussed above the avoided cost analysis performed by GE when deciding what price to charge for the ZVRT option on its wind turbines. I also discussed the cost of utilizing a solution where ZVRT is implemented at the substation with Ragu Balanathan, an Engineering Manager with GE. Mr. Balanathan's cost estimates were consistent with the avoided cost analysis previously performed by GE. However, as discussed in the lost profits section of this report, a solution where ZVRT is implemented at the substation is likely not as desirable to customers as a solution that is implemented in the control system of each turbine. According to Mr. Balanathan, an advantage of implementing ZVRT in the control system of each turbine is an increase in the redundancy for the wind farm. Specifically, if a single turbine is unable to produce electricity, the other turbines in that wind farm would still be able to do so. Conversely, when ZVRT is implemented at the substation, if the substation goes off the grid, I understand the entire wind farm is no longer able to produce electricity.

I also understand that turbines utilizing doubly-fed induction generators, such as GE's 1.5 MW and Mitsubishi's 2.4 MW turbines, already include the power electronics necessary to ride through faults down to zero volts. I understand from discussions with Mr. Balanathan that using equipment at the substation to

²³³ Deposition of Robert Letts, September 23, 2011, pp. 52-53.

²³⁴ U.S. Patent No. 7,629,705 B2.

²³⁵ GENDTX05538060-GENDTX05538157 at GENDTX05538064.

²³⁶ Deposition of Robert Letts, September 23, 2011, pp. 51-52.

²³⁷ Deposition of Robert Letts, September 23, 2011, p. 52.

²³⁸ Deposition of Robert Letts, September 23, 2011, p. 53.

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facilitate ZVRT would add additional costs to the balance of plant calculation and therefore, increase the overall capital expenditures and maintenance costs for a particular manufacturer. These increased costs would result in a reduction of the return calculated as part of the IRR analysis.

'055 patent

According to Akira Yasugi of MHI, the modular nacelle of Mitsubishi's accused 2.4 MW wind turbines allows customers to save money on installation and transportation costs.²³⁹ Indeed, Mitsubishi touts these advantages to its customers. A customer presentation from February 2008 indicates that the modular nacelle design has several advantages when compared to similarly sized turbines. One of these advantages is that no specialized trailers are needed for transportation. Other advantages include a reduction in the size of the installation crane and access to sites that might otherwise be restricted.²⁴⁰ Mitsubishi concluded that these "[b]enefits result in cost savings to owner[s] during installation and future service activities."²⁴¹ The cost savings during transportation and installation are discussed in more detail below:

Transportation

As discussed above, the nacelle of the accused Mitsubishi 2.4 MW turbine is composed of three modules. These modules are transported separately to the project site.²⁴² Transportation from the port of entry to the actual project site must take into consideration factors such as the type of vehicle and the height and weight limitations of the roads to be used for transportation.²⁴³ Having the nacelle divided into three modules makes the transportation of the nacelle easier and less expensive.²⁴⁴ It also potentially allows for delivery to sites that would otherwise be inaccessible if the nacelle were in a single piece.²⁴⁵ Mr. Numajiri believes the three-piece nacelle enables easier transportation since each of the pieces is lighter and smaller than the combined nacelle.²⁴⁶

According to a Trailer Cost Comparison completed by Mitsubishi in October 2010, its typical trailer configuration for the three-module nacelle set would include a 5-axle truck, a 6 to 7-axle truck and an 8 to 13-

²³⁹ Deposition of Akira Yasugi, April 13, 2011, pp. 94-96.

²⁴⁰ MHINDTX0456203.

²⁴¹ MHINDTX0456203.

²⁴² Deposition of Akira Yasugi, April 13, 2011, p. 91.

²⁴³ Deposition of Akira Yasugi, April 13, 2011, p. 94.

²⁴⁴ Deposition of Akira Yasugi, April 13, 2011, p. 94-95.

²⁴⁵ Deposition of Akira Yasugi, April 13, 2011, p. 97; Yasugi Exhibit 50.

²⁴⁶ Deposition of Tomohiro Numajiri, April 19, 2011, p. 43.

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axle truck for the yaw module, rear module, and front module, respectively.²⁴⁷ Mitsubishi estimated that the cost per mile for transportation ranged from \$41 to \$200 depending on the distance travelled and the port of entry.²⁴⁸ I understand that if Mitsubishi were transporting a single piece nacelle of the same size as its assembled three piece nacelle, it would need to use a 19-axle truck. A GE transportation cost analysis indicates that a 19-axle truck would cost from \$75 to \$90 per mile. These differences in truck costs result in an estimated savings of \$25,000 per turbine for an installation that requires 1,000 miles of transportation and estimated savings of \$54,250 per turbine for an installation that requires 1,750 miles of transportation.²⁴⁹

Installation

Lifting of the nacelle modules is completed by a crane. The size of the components and the height to which they will be hoisted dictate the size of the crane needed. Lifting the nacelle modules individually requires a smaller and less expensive crane as compared to lifting the entire nacelle as a single assembly.²⁵⁰

In 2004, Mitsubishi received a proposal from Mortonson that contained two estimates for installing a wind turbine. The proposal put forth different costs depending on how the wind turbines were constructed.²⁵¹ The first estimate was for installation of a wind turbine with a single piece nacelle. The second estimate was for installation of a wind turbine with a two-piece nacelle.²⁵² The cost of installation for the two-piece nacelle was \$10,000 less expensive than the installation of the one-piece nacelle.²⁵³ This difference in cost appears to be related in part to the use of different equipment depending on how many pieces of the nacelle were lifted at a time.²⁵⁴

Though this estimate was prior to Mitsubishi's completion of its 2.4 MW turbine, the prototype that was under consideration had a similar output rating of 2 MWs.²⁵⁵ Further, this proposal was for a nacelle being delivered in one or two pieces. Mitsubishi's accused 2.4 MW wind turbines incorporate a three-piece nacelle.

²⁴⁷ MHINDTX3920887.

²⁴⁸ MHINDTX3920887.

²⁴⁹ Appendix E.

²⁵⁰ Deposition of Akira Yasugi, April 13, 2011, pp. 95-96.

²⁵¹ Deposition of Tomohiro Numajiri, April 19, 2011, p. 71; MHINDTX0606209-MHINDTX0606211 at MHINDTX0606209.

²⁵² Deposition of Tomohiro Numajiri, April 19, 2011, pp. 76-77; MHINDTX0606209-MHINDTX0606211 at MHINDTX0606209.

²⁵³ MHINDTX0606209-MHINDTX0606211 at MHINDTX0606210: Exhibit 63 to Numajiri.

²⁵⁴ MHINDTX0606209-MHINDTX0606211 at MHINDTX0606210: Exhibit 63 to Numajiri.

²⁵⁵ MHINDTX0606209-MHINDTX0606211 at MHINDTX0606209.

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Mitsubishi's use of a three-piece nacelle resulted in less expense associated with the transportation and installation of the wind turbine. According to Mr. Yasugi, these savings typically benefit the customer.²⁵⁶ He also explained that MPSA is typically contracted by the customer to perform the inland transportation of the turbine.²⁵⁷ I am not aware of any evidence that MPSA's customers would be willing to pay the additional costs described above. For example, in June 2006, Iberdrola was already concerned about Mitsubishi's prices. Mr. Toren had noted that Mitsubishi's "[p]ricing is high. Will be a struggle to get them in the game." Mr. Toren explained that he was concerned that he would not be able to negotiate the price low enough to get an acceptable IRR.²⁵⁸ Additional transportation and installation costs would have made this prospect even more difficult. Further, Mr. Combs noted that Mitsubishi's installation costs were already "[c]omparable to slightly higher" as compared to other manufacturer's costs.²⁵⁹

I also understand that Mitsubishi would have to incur additional costs to produce a nacelle with a redesigned base frame. These costs would include changes to the factory and costs related to obtaining certification for the new nacelle.²⁶⁰

Prior to reaching a conclusion as to the appropriate royalty based upon the considerations above, I have also addressed each of the *Georgia-Pacific* factors below in addition to the matters discussed above.

Georgia-Pacific Factors

Factor #1: The royalties received by the patentee for the licensing of the patent-in-suit, proving or tending to prove an established royalty.

Though not related to the patents-in-suit, I am aware that GE and/or its affiliates have entered into certain license agreements covering non-accused wind turbine technology. These agreements include traditional license agreements, cross-license agreements, and settlement agreements. I discuss these agreement types below.

²⁵⁶ Deposition of Akira Yasugi, April 13, 2011, p. 97.

²⁵⁷ Deposition of Akira Yasugi, April 13, 2011, pp. 93-94.

²⁵⁸ Deposition of Harmie Toren, September 21, 2011, p. 28.

²⁵⁹ Deposition of Johnny Combs, May 13, 2011, p. 17.

²⁶⁰ Discussion with Dr. Andrew Swift; Deposition of Koji Dobashi, April 21, 2011, pp. 18-19.

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Traditional License Agreements

I have discussed the five traditional license agreements entered into by GE above. These agreements are summarized in Appendix F.

Cross-License Agreements

GE and/or its affiliates have also entered into five cross-license agreements:

- Patent License Agreement between GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc. and VENSYS Energiesysteme GmbH & Co. KG, dated March 3, 2006;²⁶¹
- Patent License Agreement between GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc. and REpower Systems AG, dated June 6, 2006;²⁶²
- Patent Cross-License Agreement between GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc. and Acciona Windpower, S.A., dated June 23, 2006;²⁶³
- Patent License Agreement between GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc. and Blitz F08-eins-null-drei GmbH, dated October 27, 2008;²⁶⁴ and
- Patent License Agreement between GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc. and Guangdong Ming Yang Wind Power Technology Company Ltd., dated November 28, 2008.²⁶⁵

These agreements generally cover patented technologies relating to wind turbines. In each of these agreements, the rights granted *to* GE were royalty-free. In contrast, in consideration of the licenses granted *by* GE, the licensees paid a royalty ranging between \$3,500 and \$25,000 per MW. Certain agreements included a lump sum payment to GE between \$100,000 and \$10,000,000 in exchange for 3 MWs and 1,000 MWs, respectively.²⁶⁶ Often times, cross-licenses are not instructive in determining the outcome of a hypothetical

²⁶¹ Patent License Agreement between GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc. and VENSYS Energiesysteme GmbH & Co. KG, dated March 3, 2006 (Bates # GENDTX00105046-GENDTX00105054).

²⁶² Patent License Agreement between GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc. and REpower Systems AG, dated June 6, 2006 (Bates # GENDTX00105029-GENDTX00105045).

²⁶³ Patent Cross-License Agreement between GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc. and Acciona Windpower, S.A., dated June 23, 2006 (Bates # GEWT00676073-GEWT00676087).

²⁶⁴ Patent License Agreement between GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc. and Blitz F08-eins-null-drei GmbH, dated October 27, 2008 (Bates # GENDTX00104878-GENDTX00104892).

²⁶⁵ Patent License Agreement between GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc. and Ming Yang Wind Power Technology Company Ltd., dated November 28, 2008 (Bates # GENDTX00105005-GENDTX00105018).

²⁶⁶ Appendix F.

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negotiation since it is difficult to isolate the value of any one technology. However, in this case, since GE received a royalty-free license to certain technology in each of these agreements, it is reasonable to assume that without that license to GE, the other party would have paid a higher royalty rate for access to GE's technology as compared to what the agreement states.

Settlement Agreements

I am aware of two settlement agreements entered into by GE related to wind turbine technology:

- Settlement and Cross-License Agreement between Enercon GmbH and Mr. Aloys Wobben and General Electric Company, dated May 10, 2004,²⁶⁷ and
- Settlement and Cross License Agreement between Gamesa Eolica, S.A. and GE Wind Energy, LLC and, dated April 1, 2005.²⁶⁸

Settlement agreements are generally considered to be of secondary value in determining the outcome of a hypothetical negotiation because the risk factors driving settlement of litigation can be difficult to separate from the economics of the license alone. Thus, they are of limited value to the hypothetical negotiators.

These settlement agreements have been summarized in Appendix F.

Factor #2: The rates paid by the licensee for the use of other patents comparable to the patent-in-suit.

I have reviewed the agreements produced by Mitsubishi in this matter. I understand Mitsubishi has entered into two agreements that cover wind turbine technology. I have discussed MHI's license with Mr. Wilkins above. Mitsubishi's second license is discussed below:

TPI Technology, Inc., TPI Composites, Inc. and VienTek, LLC, et al., Mitsubishi Power Systems, Inc., and Mitsubishi Heavy Industries, Ltd.

In March 2002, TPI Technology, Inc. and TPI Composites, Inc. entered into a license agreement with VienTek, LLC and certain of its affiliates, MHI, and MPSA.²⁶⁹ TPI granted a non-exclusive license under the licensed patents to make and repair wind turbine blades and any components thereof, within the countries of

²⁶⁷ Settlement and Cross-License Agreement between Enercon GmbH, Mr. Aloys Wobben and General Electric Company, dated May 10, 2004 (Bates # GENDTX00104893- GENDTX00104932).

²⁶⁸ Settlement and Cross License Agreement between Gamesa Eolica, S.A. and GE Wind Energy, LLC, dated April 1, 2005 (Bates # GENDTX00104958- GENDTX00105004).

²⁶⁹ Technology License Agreement between TPI Technology, Inc., TPI Composites, Inc., VienTek, LLC, et al., Mitsubishi Power Systems, Inc., and Mitsubishi Heavy Industries, Ltd., dated March 29, 2002 (Bates # MHINDTX3903603-MHINDTX3903647).

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North America and Japan.²⁷⁰ In consideration of the license granted, MHI agreed to pay an aggregate license fee of \$1,500,000, which when fully paid, shall be considered a paid-up royalty.²⁷¹ As additional consideration for the license granted by TPI, each of the licensees granted back a non-exclusive, fully paid-up license under any patents and other intellectual property owned by the licensees, to make and sell any improvements to proprietary technology relating to a resin transfer molding process used for manufacturing high quality, repeatable composite parts with virtually zero VOC emissions.²⁷²

This agreement would not be instructive to the parties at the hypothetical negotiation because the licensor, VienTek, is owned by the licensees, TPI and MPSA.²⁷³ MPSA and TPI each had a 50% ownership interest in VienTek when it was established for the purpose of supplying blades for wind turbines to MPSA.²⁷⁴ Therefore, the royalty terms agreed upon as a result of this agreement would likely differ from an agreement reached by two unrelated parties. In addition, the patented technology relates to the manufacturing process for blades, which is not related to the technologies involved in this lawsuit.

Factor #3: The nature and scope of the license, as exclusive or non-exclusive; or as restricted or non-restricted in terms of territory or with respect to whom the manufactured product may be sold.

The hypothetical negotiations would have resulted in non-exclusive licenses to each of the patents-in-suit for wind turbines made, used, offered for sale, or sold in the United States.

Factor #4: The licensor's established policy and marketing program to maintain his patent monopoly by not licensing others to use the invention or by granting licenses under special conditions designed to preserve that monopoly.

²⁷⁰ Technology License Agreement between TPI Technology, Inc., TPI Composites, Inc., VienTek, LLC, et al., Mitsubishi Power Systems, Inc., and Mitsubishi Heavy Industries, Ltd., dated March 29, 2002 (Bates # MHINDTX3903603-MHINDTX3903647 at MHINDTX3903604-MHINDTX3903609).

²⁷¹ Technology License Agreement between TPI Technology, Inc., TPI Composites, Inc., VienTek, LLC, et al., Mitsubishi Power Systems, Inc., and Mitsubishi Heavy Industries, Ltd., dated March 29, 2002 (Bates # MHINDTX3903603- MHINDTX3903647 at MHINDTX3903609).

²⁷² Technology License Agreement between TPI Technology, Inc., TPI Composites, Inc., VienTek, LLC, et al., Mitsubishi Power Systems, Inc., and Mitsubishi Heavy Industries, Ltd., dated March 29, 2002 (Bates # MHINDTX3903603- MHINDTX3903647 at MHINDTX3903608 and MHINDTX3903616).

²⁷³ Deposition of Masato Akado, April 20, 2011, p. 110.

²⁷⁴ Deposition of Masato Akado, April 20, 2011, pp. 109 – 110, 113.

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I understand that GE has not licensed either of the patents-in-suit to a competitor such as Mitsubishi and presently has no plans to license the patents-in-suit to any other wind turbine manufacturers.²⁷⁵

I am also aware of certain agreements where GE's affiliates, GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc., licensed other wind turbine technology. These agreements were structured to restrict those licenses from being extended to MHI as well as other companies should those companies become an affiliate of the licensee.²⁷⁶ Consequently, it is apparent that GE would prefer not to license Mitsubishi.

Factor #5: The commercial relationship between the licensor and the licensee, such as, whether they are competitors in the same territory in the same line of business; or whether they are inventor and promoter.

I have discussed this factor above.

Factor #6: The effect of selling the patented specialty in promoting sales of other products of the licensee; the existing value of the invention to the licensor as a generator of sales of its non-patented items; and the extent of such derivative or convoyed sales.

Certain non-accused products and services are often sold in conjunction with Mitsubishi's or GE's wind turbines. Mr. Dobashi testified that Mitsubishi's goals included 1.5 billion yen in profit related to an after-service business in America. These activities would include a parts center, a training center and a repair factory.²⁷⁷ Mitsubishi generates additional revenues by providing technical advisors²⁷⁸ and maintenance services.²⁷⁹ From 2009 to 2011, MPSA earned approximately \$30.1 million associated with technical advisor and maintenance fees. Its profits on these revenues totaled \$4.2 million.²⁸⁰

²⁷⁵ Discussion with Jim McGinness.

²⁷⁶ See, for example, license between AAER Inc. and GE Infrastructure Technology International Inc.: GENDTX00104847-GENDTX00104866 at GENDTX00104848-GENDTX00104849.

²⁷⁷ Deposition of Koji Dobashi, April 21, 2011, pp. 85-86.

²⁷⁸ Deposition of Masateru Komiya (30(b)(6)), March 31, 2011, p. 79.

²⁷⁹ Deposition of Gregory Wunder, July 14, 2011, pp. 47-48.

²⁸⁰ Appendix B, Schedule 5.

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Mr. Swift indicated that GE customers purchase items such as step-up transformers and sub-stations as part of the same transaction, but not necessarily as part of the same contract.²⁸¹ Additionally, GE also generates income from service contracts.²⁸² For example, GE's service agreements with EME outline payments to GE of \$27,000 per year for each turbine. These agreements have a term of at least 5 years, and the payments escalate by 2% per year beginning January 1, 2013.²⁸³ I understand GE's contribution margin on these maintenance revenues is 19%.²⁸⁴

Factor #7: The duration of the patent and the term of the license.

The hypothetical license would have been for the duration of the patents-in-suit. I understand that the '055 patent expires on April 19, 2022 while the '705 patent expires October 6, 2027.

Factor #8: The established profitability of the product made under the patent; its commercial success; and its current popularity.

I have discussed this factor above.

Additionally, MPSA recognized revenue of approximately \$232 million related to settlements for projects that were cancelled.²⁸⁵ It earned a margin of over \$84 million on this revenue.²⁸⁶

²⁸¹ Deposition of Stephen Swift, June 24, 2011, p. 158.

²⁸² Deposition of Brian Cretti, June 22, 2011, pp. 31-32.

²⁸³ Operations Support Agreement between Cedro Hill Wind LLC and General Electric International Incorporated, December 3, 2009 (GENDTX07693717-GENDTX07693775 at GENDTX07693730-GENDTX07693732); Operations Support Agreement between Edison Mission Energy and General Electric International Incorporated, May 8, 2009 (GENDTX07693779-GENDTX07693819 at GENDTX07639787, GENDTX07639789); Operations Support Agreement between Laredo Ridge Wind, LLC and General Electric International Incorporated, July 8, 2010 (GENDTX07693821-GENDTX07693878 at GENDTX07693833, GENDTX07693835).

²⁸⁴ Sales Summary for Cedro Hill Project (GENDTX07693879).

²⁸⁵ Appendix B, Schedule 3; Deposition of Gregory Wunder, July 14, 2011, pp. 50-51.

²⁸⁶ Appendix B, Schedule 3.

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Factor #9: The utility and advantages of the patented property over the old modes or devices, if any, that had been used for working out similar results.

and

Factor #10: The nature of the patented invention; the character of the commercial embodiment of it as owned and produced by the licensor; and the benefits to those who have used the invention.

As discussed above, and in the Court's Claim Construction Order, the '055 patent

provides for a base frame that is divided into upper and lower parts, which can be transported to a construction site with less difficulty and can be more easily assembled by the manufacturer. At the construction site, the lower part of the base frame can be mounted onto the tower, and the upper part of the base frame can be mounted onto the lower part.²⁸⁷

In discussing the '705 patent, the Court noted that it

consists of a method of allowing an electrical machine, such as a wind turbine, to remain connected to its utility grid during voltage fluctuations. The voltage fluctuations themselves take place on the electrical grid, which acts to carry energy from the wind turbines to the eventual recipients of the energy produced. The voltage fluctuations cause the flow of electricity to decrease to a low voltage range, at times approaching zero volts.²⁸⁸

The Court noted that "[t]he allegedly important and unique feature of the '705 patent, as compared to some of this prior art, is that this method allows the turbine to remain connected to the grid when the flow of voltage decreases to zero, allegedly improving upon this past technology."²⁸⁹

Factor #11: The extent to which the infringer has made use of the invention; and any evidence probative of the value of that use.

I have discussed above the use Mitsubishi has made of the invention and the revenues and profits generated by Mitsubishi related to its sales of the accused 2.4 MW wind turbines.

²⁸⁷ Claim Construction Order, May 9, 2011, p. 2.

²⁸⁸ Claim Construction Order, May 9, 2011, pp. 3-4.

²⁸⁹ Claim Construction Order, May 9, 2011, p. 3.

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Factor #12: The portion of the profit or of the selling price that may be customary in the particular business or in comparable businesses to allow for the use of the invention or analogous inventions.

I am not aware of any apportionment of the profit or selling price that may be customary in this business. Royalty rates depend on the facts and circumstances surrounding the accused products and the parties to the license.

I did engage in a search of the RoyaltySource[®] database for publicly available royalty rates on technology related to the patents-in-suit.²⁹⁰ This database is at times used by damages experts as part of their research into industry rates and practices.

There were no licenses identified in the RoyaltySource[®] database that would be comparable to the hypothetical license that would have been negotiated between GE and Mitsubishi. Those agreements that appear to relate to wind turbine technology and which are structured in a manner similar to the hypothetical license include royalty rates ranging from 1% to 5%. Applying these rates to MPSA's 2010 per megawatt selling price of \$1.78 million results in royalties ranging from \$17,800 to \$89,000 per MW. These agreements also often included additional upfront fees in the form of monetary compensation or stock grants.

Factor #13: The portion of the realizable profit that should be credited to the invention as distinguished from non-patented elements, the manufacturing process, business risks, or significant features or improvements added by the infringer.

This *Georgia-Pacific* factor, which essentially addresses the concept of apportionment, is often highly important in assessing the value of patented technology. In this matter, the negotiators would recognize that the accused products are complicated and incorporate various technologies, including some technologies that would be unrelated to the patents-in-suit.

Factors that customers typically consider in deciding to purchase GE wind turbines include:

- capital cost – the price of the equipment;

²⁹⁰ The search included licensing transactions related to Energy Resources: Wind Related Technology. Specific search terms included wind turbine, grid technology, LVRT and ZVRT.

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- power curve – the performance of the wind turbine represented by power output at a given wind speed;
- schedule – when the turbines could be delivered to the project site;
- track record – the long-term performance of a fleet of a particular model of turbines;
- availability – the turbine must be working when the wind is blowing;
- technical fit;
- physical size;
- cost of operations; and
- cost of maintenance.²⁹¹

However, as discussed above, the technology of each of the patents-in-suit is critical to Mitsubishi's ability to sell the accused 2.4 MW wind turbines. Without compliance with FERC's ZVRT requirements, Mitsubishi would unlikely be able to make any sales in the United States. Similarly, at the time of the hypothetical negotiation for the '055 patent, Mitsubishi needed a license to the '055 patent due to the size of its nacelle and constraints imposed by the equipment at its plant.

The hypothetical negotiators would seek a royalty that appropriately takes into consideration the relative importance of the technology, as well as other features and technology incorporated into the accused products that would be unrelated to the technology of the patents-in-suit.

Factor #14: The opinion testimony of qualified experts.

This report reflects my opinions in this matter. I have also held a discussion with Dr. Andrew Swift, GE's technical expert regarding the '055 patent.

Factor #15: The amount that a licensor (such as the patentee) and a licensee (such as the infringer) would have agreed upon (at the time the infringement began) if both had been reasonably and voluntarily trying to reach an agreement; that is, the amount which a prudent licensee – who desired, as a business proposition, to obtain a license to manufacture and sell a particular article embodying the patented invention – would have been willing to pay as a royalty and

²⁹¹ Deposition of Mete Maltepe, July 18, 2011, pp. 29-32.

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yet be able to make a reasonable profit and which amount would have been acceptable by a prudent patentee who was willing to grant a license.

In determining an appropriate royalty, I have considered the following matters, among others:

- Relative importance of the patented technology to Mitsubishi and its customers;
- Guidance provided by existing licenses;
- Relationship between GE and Mitsubishi;
- Profitability of the relevant products;
- Other indicators of value; and
- Cost savings enabled by the patents-in-suit.

Royalty Structure

For reasons I have discussed above, I believe that the appropriate royalty structure would be a running royalty calculated as an amount per MW of output produced by the accused 2.4 MW wind turbines. This structure is consistent with other licenses I have seen in this matter.

Royalty Base

The royalty base in this matter would consist of the total MWs of power output produced by the accused 2.4 MW Mitsubishi wind turbines. The royalty base for each of the patents-in-suit is summarized in the charts below. This royalty base does not include those revenues from sales of wind turbines that I have included in my lost profits calculation:²⁹²

	<u>2010</u>	<u>2011</u>	<u>Total</u>
Royalty Base in MWs - '705 Patent	50.4	55.2	105.6

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Total</u>
Royalty Base in MWs - '055 Patent	393.6	314.4	1,144.8	55.2	1,908

If the Court or jury determines that damages based on only a reasonable royalty are appropriate, the royalty base is summarized below:²⁹³

²⁹² Exhibit 3, Schedule A4.

²⁹³ Exhibit 3, Schedule B1.

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	<u>2010</u>	<u>2011</u>	<u>Total</u>
Royalty Base in MWs - '705 Patent	350.4	184.8	535.2

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Total</u>
Royalty Base in MWs - '055 Patent	393.6	314.4	1,444.8	184.8	2,337.6

Royalty Rate

As I discussed above, I believe the negotiators would arrive at different royalty rates for each of the patents-in-suit because the contribution of these patents is different to the Accused Products.

For the '055 patent, I believe that the appropriate royalty is \$35,000 per MW. Such a rate is reasonable in light of the following:

- A license to the '055 patent allows Mitsubishi to avoid the constraints imposed by the layout and equipment at its manufacturing facility. Without such a license, Mitsubishi could potentially lose all of its revenues and profits at a time when the wind energy market was at its strongest.
- Without a license to the '055 patent, Mitsubishi or its customers would have incurred additional costs related to transportation and installation.
- GE's existing licenses for other wind turbine technology that is important, though not essential, range from \$14,000 and \$32,500 per MW. \$35,000 per MW is near the upper end of that range in keeping with the relative value of the '055 patent and the fact that GE would receive no additional compensation in the form of an upfront payment or cross-license.

For the '705 patent, I believe that the appropriate royalty is \$50,000 per MW. Such a rate is reasonable in light of the following:

- The amount separately charged by GE as an option prior to FERC Order No. 661-A was \$60,000, which equates to \$40,000 per MW.
- The license would be made to a direct competitor, where GE has historically not licensed the '705 patent.
- A license to the '705 patent allows Mitsubishi to offer the market a ZVRT compliant wind turbine without having to incur the additional costs or time to redesign the turbine.

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- GE's existing licenses for other wind turbine technology that is important, though not essential, range from \$14,000 and \$32,500 per MW. The ZVRT patented technology would be considered essential and would therefore be more valuable to the licensee than GE's existing licenses.

Prejudgment Interest

I understand that the decision to award prejudgment interest is a matter for the Court to determine. However, unless otherwise instructed, I would ordinarily expect to calculate prejudgment interest at the average annual prime rate, compounded annually. I typically calculate prejudgment interest at the prime rate based upon my understanding that the prime rate is often chosen by federal judges in patent infringement matters.

Future damages

My damages analysis assumes that GE will be granted a permanent injunction preventing Mitsubishi from making, using, offering for sale, or selling in the U.S. the accused 2.4 MW wind turbines after the Court enters a judgment on liability against Mitsubishi. If such an injunction is not entered, GE will experience future damages that are not included in this report.

7. Total Damages

Based on my understanding of the facts and circumstances in this matter (and assuming liability), I have calculated damages measured as a combination of lost profits and reasonable royalties. My calculations assume that "but for" Mitsubishi offering the Accused Products to certain customers, GE would have been able to capture those sales. However, not all of Mitsubishi's sales represent lost sales for GE. For those sales not subject to lost profits damages, I have calculated damages based on a reasonable royalty applied to the output measured in MWs provided by Mitsubishi's infringing sales. If the Court or jury determines that both of the patents-in-suit are infringed by Mitsubishi, I have calculated damages as summarized below:²⁹⁴

<u>Lost Profits</u>	<u>Reasonable Royalties</u>	<u>Total Damages</u>
\$ 219,109,458	\$ 72,060,000	\$ 291,169,458

²⁹⁴ Exhibit 3. This represents total damages (lost profits and reasonable royalties) if the Court or jury finds both patents-in-suit valid and infringed by Mitsubishi. I have also prepared schedules which calculate damages assuming only one of the patents-in-suit is valid and infringed by Mitsubishi. These calculations are summarized in the attached Exhibit 4 and Exhibit 5.

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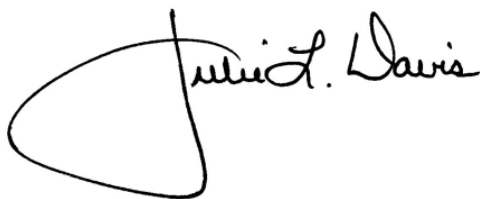
If the Court or jury determines that the appropriate measure of damages is reasonable royalties only, total damages are summarized below:²⁹⁵

<u>'055 Patent</u>	<u>'705 Patent</u>	<u>Total Damages</u>
\$ 81,816,000	\$ 26,760,000	\$ 108,576,000

My report, with supporting exhibits, is contained herein, and presents a summary of my opinion and the bases and reasons therefore as of this date. To the extent any additional information is produced by either party, I will be prepared to incorporate any such additional information into my report, or otherwise to amend or supplement my report as appropriate.

This report is to be used only for the purpose of this litigation and may not be published or used for any other purpose without prior written consent.

By:

A handwritten signature in black ink that reads "Julie L. Davis". The signature is written in a cursive style with a large, looping initial "J".

Julie L. Davis

October 18, 2011

²⁹⁵ Exhibit 3, Schedule B. This represents total damages (reasonable royalties only) if the Court or jury finds both patents-in-suit valid and infringed by Mitsubishi. I have also prepared schedules which calculate damages assuming only one of the patents-in-suit is valid and infringed by Mitsubishi. These calculations are summarized in the attached Exhibit 4 and Exhibit 5.

Julie L. Davis, CPA

20 North Wacker Drive – Suite 2150
Chicago, Illinois 60606

Tel: 312-506-1505

Fax: 312-506-1510

jdavis@dhllc.com

Employment

June 2003 – Present	Davis & Hosfield Consulting LLC – Principal
May 2002 – May 2003	KPMG LLP – Partner-in-Charge, National Intellectual Property Practice
September 1991 – May 2002	Andersen – Co-Managing Partner, Global Intellectual Asset Consulting Practice
November 1987 – August 1991	Andersen – Chicago office: Senior Manager in Specialty Consulting
July 1978 – November 1987	Touche Ross & Co. – Kansas City office: Audit practice

Educational Background

September 2000	Inducted into Kansas State University Accounting Hall of Fame
July 1980 and subsequent	Certified Public Accountant (CPA) and licensed in California, Illinois, Kansas, Missouri, and Texas
May 1978	Gold Key-State of Kansas CPA Examination (Highest score in state)
May 1978	B.S. in Business Administration and Accounting Kansas State University Summa Cum Laude

Litigation Consulting Experience

Testified at trial (bench and jury) and through deposition as expert witness.

Conducted complex damages studies involving lost sales, lost profits, incremental profits, manufacturing and marketing capacity, fixed and variable costs, product line profitability, price erosion, reasonable royalty, unjust enrichment and prejudgment interest.

Cases have involved patent, trademark, trade dress, trade secret and copyright infringement, antitrust, false advertising, dealership termination, fraudulent conveyance, breach of contract, professional malpractice, and other types of business disputes.

Industries have included apparel, aerospace, automotive, biotechnology, carpet, chemicals, computer hardware and software, construction, consumer products, electronics, financial institutions, food, hospitality, industrial equipment, internet, medical products, military equipment, office equipment, pharmaceuticals, power tools, real estate, sporting goods, and transportation.

Other Financial Consulting Experience

Assisted global companies with development of intellectual property strategy.

Developed competitive assessment capabilities for major consumer products company using patent portfolio analyses.

Directed analyses of a Fortune 50 company's portfolio of over 25,000 patents, including review of prosecution and maintenance fees, trends, and patent department processes.

Assisted with licensing analyses, including whether the company should license its intellectual property and at what rates.

Supervised review of royalty payments for compliance with license agreements.

Directed and performed independent financial audits of private and publicly held companies ranging from manufacturing enterprises to financial institutions.

Developed insurance claims for business interruption losses in such industries as retail, processing, hospitality, fine arts, and professional services.

Performed due diligence services for potential acquisitions in the cosmetics and automotive parts industries.

Assisted consumer products company with analysis of operations and purchasing practices to improve productivity and profitability.

Developed and implemented comprehensive turnaround plan for national wholesale grocer experiencing financial crisis.

Investigated numerous fraud and negligence claims related to failed savings and loans.

Membership in Trade Associations

American Institute of Certified Public Accountants

Illinois CPA Society – past Chairperson of statewide Litigation Services Committee

American Bar Association

Licensing Executives Society

Publications

Edison in the Boardroom: How Leading Companies Realize Value from Their Intellectual Assets – Julie L. Davis, Suzanne S. Harrison – Wiley/Andersen Intellectual Capital Series, June 2001. (Also translated into Chinese and Japanese.)

“Tapping Into Your Company's Hidden Resources” – *U.S. Industry Today*, July 1999.

“An Update on Patent Damages – A Closer Look at Lost Profits and Reasonable Royalty Decisions from 1982 through June 1998” – *Licensing Law and Business Report*, January-February 1999 (Vol. 21, No. 1).

“Emerging Trends in Patent Infringement Damage Awards 1982-June 1997” – *Intellectual Property Infringement Damages*, 1999, Chapter 14.

“Using Your IP to Increase Shareholder Value” – *Managing Intellectual Property*TM, Patent Yearbook 1998.

“Emerging Trends in Patent Infringement Damage Awards” – *Intellectual Property Infringement Damages*, 1998 Cumulative Supplement, Chapter 1.4A.

“Reaching for the Sky and Beyond” – *Managing Intellectual Property*TM, March 1997 (Issue 67). Provided summary of damages cases and related data only.

“Patent Infringement Damages Awards” – *Licensing Law and Business Report*, May-June, 1995 (Vol. 17, No. 7).

“An Historical Look at Patent Infringement Damage Awards” – *Intellectual Property Infringement Damages*, 1995 Cumulative Supplement, Chapter 1.4A.

Julie L. Davis
Testimony Experience

<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
<u>Broadcom Corporation</u> v. Emulex Corporation Case No. SACV-09-01058-JVS (ANx) consolidated SACV 10-03963-JVS (ANx)	U.S. District Court for the Central District of California, Southern Division	Wilmer Cutler Pickering Hale and Dorr	Patent infringement	Trial: 2011 Dep: 2011 Report(2): 2011
Solvay, S.A. v. <u>Honeywell Specialty Materials, LLC and Honeywell International Inc.</u> Case No. 06-557-SLR	U.S. District Court for the District of Delaware	Kirkland & Ellis LLP	Patent infringement	Trial: 2011 Dep(2): 2008, 2011 Report(4): 2007, 2011
<u>Novozymes A/S and Novozymes North America, Inc.</u> v. Danisco A/S, Genencor International Wisconsin, Inc., Danisco US Inc., and Danisco USA Inc.	U.S. District Court for the Western District of Wisconsin	Fenwick & West LLP	Patent Infringement	Dep: 2011 Report(2): 2011
<u>Coloplast A/S</u> v. Generic Medical Devices, Inc. Case No. CV 10-227 BHS	U.S. District Court for the Western District of Washington at Tacoma	Faegre & Benson LLP	Patent infringement	Report: 2011
Kruse Technology Partnership v. <u>Daimler AG; Mercedes-Benz USA LLC</u> ; Detroit Diesel Corporation; Western Star Truck Sales, Inc.; Volkswagen AG; Volkswagen Group of America, Inc., d/b/a Audi Of America, Inc.; Chrysler Group LLC; Daimler Trucks North America LLC; <u>Mercedes-Benz U.S. International, Inc.</u> ; and <u>Daimler Vans Manufacturing LLC</u>	U.S. District Court for the Central District of California, Southern Division (Santa Ana)	Howrey LLP	Patent infringement	Declaration: 2011
Server Technology, Inc. v. <u>American Power Conversion Corporation</u> Civil Action No. 3:06-CV-00698-LRH (VPC)	U.S. District Court, District of Nevada	Jenner & Block LLP	Patent infringement	Dep: 2011 Report(2): 2011
<u>Novartis Vaccines and Diagnostics, Inc.</u> v. Wyeth and Wyeth Pharmaceuticals Inc. 2:08-cv-00067-TJE-CE	U.S. District Court for the Eastern District of Texas, Marshall Division	McKool Smith; O'Melveny & Myers LLP	Patent infringement	Dep: 2011 Report(2): 2011
WiAV Solutions LLC v. <u>Motorola Mobility, Inc., Nokia Corporation, Nokia Inc., Sony Ericsson Mobile Communications AB, and Sony Ericsson Mobile Communications (USA) Inc.</u> Case No. 3:09-cv-447-LO-JFA	U.S. District Court for the Eastern District of Virginia, Alexandria Division	Winston & Strawn LLP; Alston & Bird LLP; Andrews Kurth LLP	Patent infringement	Dep: 2011 Report: 2011
Triangle Software, LLC v. Garmin International, Inc.; <u>TomTom, Inc.</u> ; Volkswagen Group of America, Inc.; and Westwood One, Inc.	U.S. District Court for the Eastern District of Virginia Alexandria Division	Morrison Forester LLP	Patent infringement	Report(2): 2011
<u>Abbott GmbH & Co., KG and Abbott Biotechnology Ltd.</u> v. Centocor Ortho Biotech, Inc. and Centocor Biologics, LLC Civil Action No. 4:09-cv-11340-FDS	U.S. District Court for the District of Massachusetts	Wilmer Cutler Pickering Hale and Dorr	Patent infringement	Dep: 2011 Report: 2011

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Testimony Experience

<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
Nordyne Inc. v. <u>RBC Manufacturing Corporation</u> Case No. 4:09-cv-00203	U.S. District Court for the Eastern District of Missouri, Eastern Division	Wilmer Cutler Pickering Hale & Dorr LLP	Patent infringement	Dep: 2011 Report: 2011
Mformation Technologies, Inc. v. <u>Research In Motion Limited and Research In Motion Corporation</u> Case No. 5:08-cv-04990	U.S. District Court for the Northern District of California, San Jose Division	Kirkland & Ellis LLP	Patent infringement	Dep: 2011 Report(2): 2011
Osmose, Inc. v. <u>Arch Chemicals, Inc., Arch Wood Protection, Inc., Arch Treatment Technologies, Inc., Cox Industries, Inc., and Rocky Top Building Products, Inc. and Madison Wood Preservers, Inc.</u> Civil Action No. 2:10-cv-00108	U.S. District Court for the Eastern District of Virginia, Norfolk Division	Kilpatrick Townsend & Stockton LLP	Patent infringement	Report: 2011
<u>GE Healthcare UK Limited</u> v. Beckman Coulter, Inc. and Beckman Coulter Genomics, Inc. Civil Action No. 09-974-RK	U.S. District Court for the District of Delaware	Weil, Gotshal & Manges LLP	Patent infringement	Dep: 2011 Report: 2010
CIVIX-DDI, LLC v. <u>Hotels.com, L.P. and Hotels.com GP LLC</u> Case No. 05 C 6869	U.S. District Court for the Northern District of Illinois	Kirkland & Ellis LLP	Patent infringement	Report: 2011
i2 Technologies, Inc. and i2 Technologies US, Inc. v. <u>Oracle Corporation and Oracle USA, Inc., Oracle Corporation, Oracle America, Inc. and Oracle International Corporation</u> v. i2 Technologies, Inc., i2 Technologies US, Inc., and JDA Software Group, Inc. Civil Action No. 6:09-cv-194 (LED)	U.S. District Court for the Eastern District of Texas, Tyler Division	Wilmer Cutler Pickering Hale & Dorr LLP	Patent infringement	Dep: 2011 Report(2): 2010; 2011
<u>Brake Parts, Inc.</u> v. David Lewis, Satisfied Brake Products, Inc., and Robert Case Number: 5:09-cv-00132	U.S. District Court for the Eastern District of Kentucky, Central Division at Lexington	Seyfarth Shaw LLP	Trade Secret	Hearing: 2010
Bruce J. Brumfield, Jr. and Jerry Caulder, as Members of the Advanced Stent Technologies, Inc. Stockholder Representative Committee and <u>Boston Scientific Corporation</u> Case No. 65-180-Y-00290-08 Case No. 65-489-292-08	American Arbitration Association	Howrey LLP	Post acquisition dispute	Dep: 2010 Report: 2010
Tyco Healthcare Group LP d/b/a <u>VNUS Medical Technologies</u> v. Biolitec, Inc., Dornier Medtech America, Inc., New Star Lasers, Inc. d/b/a Cooltouch, Inc. Case No. C08-03129 MMC	U.S. District Court for the Northern District of California, San Francisco Division	Davis Polk & Wardwell LLP	Patent infringement	Trial: 2010 Report(2): 2010
Beneficial Innovations, Inc. v. <u>Google Inc. and YouTube, LLC</u> Case No. 2:07-CV-555-TJW-CE	U.S. District Court for the Eastern District of Texas Marshall Division	Wilmer Cutler Pickering Hale & Dorr LLP	Patent infringement	Report: 2010

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<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
The Chamberlain Group, Inc. and Johnson Controls Interiors LLC v. <u>Lear Corporation</u> Civil Action No. 1:05-CV-3449	U.S. District Court for the Northern District of Illinois, Eastern Division	Winston & Strawn LLP	Patent infringement	Dep: 2010 Report: 2010
Riddell, Inc. v. <u>Schutt Sports, Inc.</u> Case No. 03:08-cv-00711-BBC	U.S. District Court for the Western District of Wisconsin	Kirkland & Ellis LLP	False advertising and patent infringement	Trial: 2010 Dep: 2010 Report(3): 2010
Ronald A. Katz Technology Licensing, L.P. v. Time Warner Cable Inc., et al. (on behalf of defendants <u>Charter Communications Inc.</u> , <u>Charter Communications Holding Company LLC</u> , <u>Charter Communications Operating LLC</u> and <u>Charter Communications Entertainment I LLC</u>) Case No. 1:06-cv-00546-GMS	U.S. District Court for the District of Delaware (Wilmington)	Alston & Bird LLP	Patent infringement	Dep(2): 2008, 2010 Report(2): 2008, 2009
<u>Baxter Healthcare Corporation, et al.</u> v. Fresenius Medical Care Holdings, Inc., et al. Case No. C 07-01359 PJH(JL)	U.S. District Court for the Northern District of California, San Francisco Division	Kirkland & Ellis LLP	Patent infringement	Trial: 2010 Dep: 2009 Report(3): 2009, 2010
Network-1 Security Solutions, Inc. v. <u>Cisco Systems, Inc.</u> , <u>Cisco-Linksys, L.L.C.</u> , <u>ADTRAN, Inc.</u> , Enterasys Networks, Inc., <u>Extreme Networks, Inc.</u> , <u>Foundry Networks, Inc.</u> , and <u>3Com Corporation</u> Case No. 6:08cv030	U.S. District Court for the Eastern District of Texas, Tyler Division	Wilmer Cutler Pickering Hale & Dorr LLP; Fulbright & Jaworski, L.L.P.; Jones Day; Howrey LLP; Simpson Thacher & Bartlett LLP	Patent infringement	Trial: 2010 Dep: 2010 Report(4): 2010
Affinity Labs of Texas, LLC v. BMW North America, LLC, et al. (<u>Mercedes-Benz USA, LLC</u>) Case No. 9:08-cv-00164-RC	U.S. District Court for the Eastern District of Texas, Lufkin Division	Crowell & Moring LLP	Patent infringement	Dep: 2010 Report: 2010
WiAV Solutions LLC v. <u>Nokia Corporation and Nokia Inc.</u> , et al. Case No. 3:09cv447 REP	U.S. District Court for the Eastern District of Virginia, Richmond Division	Alston & Bird LLP	Patent infringement	Dep: 2010 Report: 2010
<u>Semiconductor Energy Laboratory Co., Ltd.</u> v. Samsung Electronics Co., Ltd., S-LCD Corporation, Samsung Electronics America, Inc., Samsung Telecommunications America, LLC, and Samsung Mobile Display Co., Ltd. Case No. 3:09-CV-00001	U.S. District Court for the Western District of Wisconsin	Jenner & Block LLP	Patent infringement	Dep: 2010 Report(2): 2010
Dr. David Kannar v. <u>Alticor Inc.</u> , <u>Amway Corp.</u> , <u>Quixtar, Access Business Group LLC</u> , <u>Nutriline</u> Case No. 2:09-cv-02500-PSG-VBK	U.S. District Court for the Central District of California, Western Division – Los Angeles	Brinks Hofer Gilson & Lione	Patent infringement	Report: 2010

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<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
<u>Tessera, Inc.</u> v. United Test and Assembly Center Ltd. and UTAC America, Inc. Case No. RG08410327	Superior Court of the State of California for the County of Alameda	Irell & Manella LLP	Breach of contract	Dep: 2010 Report(2): 2010
<u>3M Innovative Properties Company and 3M Company</u> v. Louis M. Gerson Co., Inc. and Gerson Professional Products, Inc. Civil No. 08-04960 JRT/FLN	U.S. District Court for the District of Minnesota	Faegre & Benson LLP	Patent infringement	Dep: 2010 Report: 2009
<u>Zamora Radio, LLC v. Pandora Media, Inc.</u> , et al. Case No. 1:09-cv-20940-EGT	U.S. District Court for the Southern District of Florida, Miami	Banner & Witcoff, Ltd.	Patent Infringement	Report: 2010
DuPont Air Products NanoMaterials L.L.C. v. <u>Cabot Microelectronics Corporation</u> <u>Cabot Microelectronics Corporation</u> v. Precision Colloids, L.L.C. and The Virkler Company Case No. CV06-2952-PHX-ROS	U.S. District Court for the District of Arizona	Wilmer Cutler Pickering Hale & Dorr LLP	Patent infringement	Report(2): 2008, 2010
IP Innovation L.L.C. and Technology Licensing Corporation v. <u>Google Inc.</u> Case No. 2:07cv503-RRR	U.S. District Court for the Eastern District of Texas Marshall Division	Wilmer Cutler Pickering Hale & Dorr LLP	Patent infringement	Report: 2010
Ledergerber Medical Innovations, LLC and Dr. Walter Ledergerber v. <u>W.L. Gore & Associates, Inc.</u> Case No. 07-C-1593	U.S. District Court for the Northern District of Illinois, Eastern Division	Locke Lord Bissell & Liddell LLP	Patent infringement	Report: 2009
Diagnostic Systems Corporation v. Symantec Corporation, et al. (<u>Microstrategy, Inc.</u>)	U.S. District Court for the Central District of California, Southern Division	Wilmer Cutler Pickering Hale & Dorr LLP	Patent infringement	Dep: 2009 Report: 2009
<u>United States Gypsum Company</u> v. Lafarge North America, Inc., et al. Civil Action No. 03-CV-6027	U.S. District Court for the Northern District of Illinois, Eastern Division	Leydig, Voit & Mayer, Ltd.	Patent infringement and trade secret misappropriation	Dep(2): 2007, 2009 Report(7): 2007, 2008, 2009
<u>Honeywell International Inc. and Honeywell Intellectual Properties Inc.</u> v. Nikon Corporation, et al. (Fuji Film Report) C.A. No. 04-1337-JJF (Consolidated)	U.S. District Court for the District of Delaware	Robins, Kaplan, Miller & Ciresi L.L.P.	Patent infringement	Dep: 2009 Report(2): 2009
Alexsam, Inc. v. <u>Humana, Inc.</u> Case No. 2:07-cv-00288-DF	U.S. District Court for the Eastern District of Texas, Marshall Division	Standley Law Group LLP	Patent infringement	Report: 2009
<u>Monolithic Power Systems, Inc.</u> v. O2 Micro International Limited and related counterclaims Case No. C 08-4567	U.S. District Court for the Northern District of California, Oakland Division	Latham & Watkins LLP	Patent infringement	Dep: 2009 Report: 2009

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<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
<u>Honeywell International Inc. and Honeywell Intellectual Properties Inc.</u> v. Nikon Corporation, et al. (Samsung SDI Report) C.A. No. 04-1337-JJF (Consolidated)	U.S. District Court for the District of Delaware	Robins, Kaplan, Miller & Ciresi L.L.P.	Patent infringement	Dep: 2009 Report: 2009
Wisconsin Alumni Research Foundation v. <u>Intel Corporation</u> Case No. 08-C-78-C	U.S. District Court for the Western District of Wisconsin	Wilmer Cutler Pickering Hale & Dorr LLP	Patent infringement	Dep: 2009 Report(2): 2009
Robin Singh d/b/a TestMasters v. <u>Duane Morris LLP</u> Case No. 2008-49090	U.S. District Court for Harris County, Texas – 164 th Judicial Court	Vinson & Elkins LLP	Negligence	Dep: 2009 Report: 2009
Synovis Life Technologies, Inc. v. <u>W.L. Gore & Associates, Inc.</u> Case No. 07 CV 1396 (DWF/SRN)	U.S. District Court for the District of Minnesota	Paul, Hastings, Janofsky & Walker LLP	Patent infringement	Report: 2009 Declaration: 2009
<u>Motorola, Inc. and GMP Wireless Medicine, Inc.</u> v. Nonin Medical, Inc. Case No. 04 CV 05944	U.S. District Court Northern District of Illinois Eastern Division	Dykema Gossett Rooks Pitts PLLC	Patent infringement	Report: 2009
<u>Santarus, Inc. and The Curators of the University of Missouri</u> v. Par Pharmaceutical, Inc. C.A. No. 07-551 (GMS)	U.S. District Court for the District of Delaware	Irell & Manella LLP	Patent infringement	Trial: 2009 Dep: 2009 Report: 2009
Ring Plus, Inc. v. <u>StoneTurn Group, LLP, et al.</u> No. SC096962	Superior Court for the State of California for the County of Los Angeles – West District	Caldwell Leslie & Proctor, PC	Breach of contract, professional negligence and rescission	Dep: 2009
LG Electronics, Inc. v. <u>Hitachi, Ltd.; Hitachi Automotive Products (USA), Inc.; Clarion Co., Ltd; Clarion Corporation of America; and Xanavi Informatics Corporation</u> Case No. 5:07-cv-00090-DF	U.S. District Court for the Eastern District of Texas, Texarkana	Kirkland & Ellis LLP	Patent infringement	Dep: 2009 Report: 2009
Drew Heriot and Drew Pictures Pty Ltd. v. <u>Simon & Schuster, Inc.</u> Case No. 1:08-cv-04386	U.S. District Court for the Northern District of Illinois, Eastern Division	Squire, Sanders & Dempsey L.L.P.	Copyright infringement	Report: 2009
MOAEC, Inc. v. <u>Pandora Media, Inc.</u> , et al. Civil Action No. 07-C-0654-BBC	U.S. District Court for the Western District of Wisconsin	Banner & Witcoff, Ltd.	Patent infringement	Dep: 2009 Report: 2009
<u>Medinol Ltd.</u> against Boston Scientific Corp., et al. WIPOA030807	World Intellectual Property Organization	Cravath Swaine & Moore LLP	Patent infringement	Dep: 2009 Report: 2008
<u>Ameritox, Ltd.</u> and U.D. Testing, Inc. v. Aegis Sciences Corp. Case No. 07-80498	U.S. District Court for the Southern District of Florida, West Palm Beach Division	Bell, Boyd & Lloyd LLP	Unfair and deceptive trade practices	Dep: 2009 Report(4): 2008, 2009

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<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
<u>CIF Licensing, LLC d/b/a GE Licensing v. Agere Systems Inc.</u> Case No. 07-170-JJF	U.S. District Court of the District of Delaware	McDermott Will & Emery LLP	Patent infringement	Trial: 2009 Dep: 2008 Report(3): 2008, 2009
<u>Spectralytics, Inc. v. Cordis Corporation and Norman Noble, Inc.</u> Civil Action No. 05-1464 (PJS/RLE)	U.S. District Court for the District of Minnesota	Carlson, Caspers, Vandenburg & Lindquist	Patent infringement	Trial: 2009 Dep: 2007 Report(2): 2007, 2008
<u>MarcTec, L.L.C. v. Johnson & Johnson and Cordis Corporation</u> Case No. 3:07-cv-825-DRH-CJP	U.S. District Court for the Southern District of Illinois	Kirkland & Ellis LLP	Patent Infringement	Dep: 2008 Report: 2008
<u>Freedom Wireless, Inc. v. Cricket Communications, Inc., et al.</u> Civil Action No. 2-06-CV-504 (TJW-CE)	U.S. District Court for the Eastern District of Texas, Marshall Division	Latham & Watkins LLP	Patent infringement	Dep: 2008 Report: 2008
<u>Honeywell International Inc. and Honeywell Intellectual Properties Inc. v. Universal Avionics Systems Corp. and Sandel Avionics, Inc.</u> Civil Action No. 02-359-MPT	U.S. District Court for the District of Delaware	Kirkland & Ellis LLP and Mayer, Brown, Rowe & Maw LLP	Patent infringement and antitrust	Trial(2): 2003, 2008 Dep: 2003 Report(7): 2003, 2008
Ronald A. Katz Technology Licensing, L.P., v. <u>Cincinnati Bell Inc., Cincinnati Bell Wireless, LLC, Cincinnati Bell Any Distance Inc., Cincinnati Bell Entertainment, Inc., Cincinnati Bell Extended Territories LLC, Cincinnati Bell Telephone Company LLC, Brcom Inc., and IXC Internet Services, Inc.</u> Case No. 07-ML-01816-C-RGK	U.S. District Court, Central District of California, Western Division	Standley Law Group	Patent infringement	Dep: 2008 Report: 2008
<u>Hologic, Inc., Cytoc Corporation and Hologic L.P. v. SenoRx, Inc.</u> Civil Action No. 08-CV-0133 RMW	U.S. District Court for the Northern District of California, San Jose Division	Howrey LLP	Patent infringement	Dep(2): 2008 Declaration(2): 2008
Safe Auto Insurance Company v. <u>State Automobile Mutual Insurance Company</u> Case No. 2:07-cv-01121-EAS-NMK	U.S. District Court, Southern District of Ohio (Columbus)	Standley Law Group LLP	Trademark infringement	Report: 2008
Ronald A. Katz Technology Licensing, L.P. v. Time Warner Cable Inc., et al. (on behalf of defendants <u>Time Warner Cable Inc., Time Warner NY Cable LLC and Time Warner Entertainment Company LP</u>) Case No. 1:06-cv-00546-GMS	U.S. District Court for the District of Delaware (Wilmington)	Alston & Bird LLP	Patent infringement	Dep: 2008 Report: 2008
Ronald A. Katz Technology Licensing, L.P. v. Time Warner Cable Inc., et al. (on behalf of defendants <u>AOL LLC, Compuserve Interactive Services Inc. and Netscape Communications Corporation</u>) Case No. 1:06-cv-00546-GMS	U.S. District Court for the District of Delaware (Wilmington)	Alston & Bird LLP	Patent infringement	Dep: 2008 Report: 2008

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Testimony Experience

<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
Ronald A. Katz Technology Licensing, L.P. v. Humana, Inc. (on behalf of defendants <u>Humana, Inc. and Humana Military Healthcare Services, Inc.</u>) Case No. 9:06-cv-199-RC	U.S. District Court for the Eastern District of Texas (Lufkin)	Standley Law Group LLP	Patent infringement	Dep: 2008 Report: 2008
Ronald A. Katz Technology Licensing, L.P. v. TD Banknorth, Inc., et al. (on behalf of defendants <u>Dillard's, Inc. and Dillard Investment Co., Inc.</u>) Case No. 1:06-cv-00544-GMS	U.S. District Court for the District of Delaware (Wilmington)	Alston & Bird LLP	Patent infringement	Report: 2008
Ronald A. Katz Technology Licensing, L.P. v. Ahold U.S.A., Inc., et al. (on behalf of defendants <u>Ahold U.S.A., Inc., Stop & Shop Supermarket Company LLC, Giant Food Stores LLC and Giant Food Inc.</u>) Case No. 1:06-cv-00545-GMS	U.S. District Court for the District of Delaware (Wilmington)	Alston & Bird LLP	Patent infringement	Report: 2008
<u>Auction Management Solutions, Inc.</u> v. Manheim Auctions, Inc., et al. <u>Auction Management Solutions, Inc.</u> v. ADESA, Inc. Case Nos. 1:05-CV-0639 and 1:05-CV-0638	U.S. District Court for the Northern District of Georgia, Atlanta Division	Finnegan, Henderson, Farabow, Garrett & Dunner, L.L.P.	Patent infringement	Dep: 2008 Report: 2008
<u>ExonHit Therapeutics S.A. and ExonHit Therapeutics, Inc.</u> v. Jivan Biologics, Inc. Case No. C07 1427 WHA	U.S. District Court for the Northern District of California, San Francisco Division	Hogan & Hartson LLP	Patent infringement	Report: 2008
<u>3M Company and 3M Innovative Properties Company</u> v. Vita Zahnfabrik H. Rauter GmbH & Co. KG and Vident, Inc. Case No. 0:05-CV-01875 ADM/JJG	U.S. District Court of Minnesota	Fish & Richardson P.C.	Patent infringement	Report: 2008
Herman Miller, Inc. v. <u>Teknion Corporation and Okamura Corporation</u> Civil Action No. 05-CV-2761	U.S. District Court Northern District of Illinois, Eastern Division	Howrey LLP Michael Best & Friedrich LLP	Patent infringement	Dep: 2008 Report: 2008
Taurus IP, LLC v. <u>DaimlerChrysler Corporation, et al.</u> Civil Action No. 07-C-158-C	U.S. District Court for the Western District of Wisconsin	Kilpatrick Stockton LLP	Patent infringement	Dep: 2008 Report(2): 2008
<u>Repligen Corporation</u> and The Regents of the University of Michigan v. Bristol-Myers Squibb Company Case No. 2:06-CV-004-TJW	U.S. District Court for the Eastern District of Texas, Marshall Division	Fish & Richardson PC	Patent infringement	Dep: 2008 Report: 2007
<u>PUMA AG Rudolf Dassler Sport and PUMA North America</u> v. Payless Shoesource, Inc. and Payless Shoesource Worldwide, Inc. Civil Action No. 06-cv-11943	U.S. District Court for the District of Massachusetts	Kirkpatrick & Lockhart Preston Gates Ellis LLP	Trademark infringement	Report: 2008

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<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
<u>Rowe International Corp. and Arachnid, Inc. v. Ecast Inc., Rock-Ola Manufacturing Corp., and View Interactive Entertainment Corp.</u> Case No.: 1:06-cv-02703	U.S. District Court for the Northern District of Illinois, Eastern Division	Dickstein Shapiro LLP	Patent infringement	Dep: 2008 Report(3): 2007
<u>Abbott Diabetes Care Inc. and Abbott Laboratories v. Roche Diagnostics Corp., Roche Diagnostics Operations, Inc. and Bayer Healthcare LLC</u> Case No.: C05-3117 MJJ	U.S. District Court for the Northern District of California	Barnes & Thornburg LLP	Patent infringement	Dep: 2008 Report: 2007
<u>Volumetrics Medical Imaging LLC v. GE Healthcare, Ltd., GE Medical Systems, Inc., GE Medical Systems, L.L.C., GE Medical Systems Kretztechnik GMBH & Co. OHG, Toshiba America Medical Systems, Inc., Medison America, Inc., and Siemens Medical Solutions USA, Inc.</u> Civil Action No. 1:05CV00955	U.S. District Court for the Middle District of North Carolina	McDermott, Will & Emery LLP	Patent infringement	Report: 2007
<u>Kathleen Adams and Snap-Saver, LLC v. Newell Rubbermaid Inc. and Target Corporation</u> Civil Action No. 07 C 0313 S	U.S. District Court for the Western District of Wisconsin	Schiff Hardin LLP	Patent infringement	Report: 2007
<u>O'Gara-Hess & Eisenhardt Armoring Company, L.L.C. v. Paul Bartock and Ibis Tek, LLC and Thomas G. Buckner and John P. Buckner</u> Case No. CV 2006 04 1157	Common Pleas Court of Butler County, Ohio	Sebaly Shillito and Dyer	Trade secret	Dep: 2007 Report(2): 2007
<u>Pergo, Inc. and Pergo (Europe) AB v. Alloc, Inc., Armstrong World Industries, Inc. and Berry Finance NV</u> Civil Action No. 02-CV-0736V	U.S. District Court for the Eastern District of Wisconsin	Baker & McKenzie	Patent infringement	Trial: 2007 Dep: 2007 Report: 2007
<u>Intermatic Incorporated v. TayMac Corporation</u> Civil Action No. 00-CV-50224	U.S. District Court for the Northern District of Illinois, Western Division	Brinks Hofer Gilson & Lione	Patent infringement	Report(2): 2001, 2007
<u>Johnson Controls, Inc. v. InnerWireless, Inc.</u> Arbitration No. 51 181 Y 284 07	American Arbitration Association	Banner & Witcoff, Ltd.	Breach of contract	Dep: 2007 Report(2): 2007
<u>Medinol Ltd. against Boston Scientific Corp., et al.</u> WIPOA200206	World Intellectual Property Organization	Cravath Swaine & Moore LLP	Patent infringement	Arbitration: 2007 Dep: 2007 Report(2): 2007
<u>Donaldson Company, Inc. v. Baldwin Filters Inc.</u> Civil Action No. 04-2679	U.S. District Court for the District of Minnesota	Merchant & Gould	Patent infringement	Dep: 2007 Report(2): 2007
<u>3M Company and 3M Innovative Properties Company v. Kerr Corporation</u> Case No. 07-C-0087-C	U.S. District Court for the Western District of Wisconsin	Kirkland & Ellis LLP	Patent infringement	Report(2): 2007

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<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
<u>Calphalon Corporation</u> v. Meyer Corporation, U.S. Case No. 2:05-CV-00971-WBS-DAD	U.S. District Court Eastern District of California, Sacramento Division	Sheppard, Mullin, Richter & Hampton LLP	Patent infringement and unfair competition	Trial: 2007 Dep: 2006 Report(2): 2006, 2007
<u>911EP, Inc.</u> v. Whelen Engineering Company, Inc. and Tomar Electronics, Inc. Case No. 2-05 CV-137	U.S. District Court for the Eastern District of Texas, Marshall Division	McKool Smith	Patent infringement	Report: 2007
<u>Atlanta Attachment Company</u> v. Leggett & Platt, Inc. Civil Action File No. 1:05-cv-01071-ODE	U.S. District Court for the Northern District of Georgia, Atlanta Division	Troutman Sanders LLP	Patent infringement and breach of contract	Trial: 2007 Dep: 2006 Report(2): 2005, 2007
<u>Through the Country Door, Inc.</u> v. J.C. Penney Company, Inc., et al. Case No. 06-C-0540	U.S. District Court for the Western District of Wisconsin, Madison Division	Barnes & Thornburg LLP	Copyright infringement	Report: 2007
<u>Honeywell International and Honeywell Intellectual Properties Inc.</u> v. The United States, et al. No. 02-1909C	U.S. District Court of Federal Claims	Paul, Hastings, Janofsky & Walker LLP	Patent infringement	Trial: 2007 Dep: 2007 Report(3): 2006, 2007
<u>Textron Innovations Inc. v. The Toro Company</u> Civil Action No. 05-486 (GMS)	U.S. District Court for the District of Delaware	Merchant & Gould	Patent infringement	Dep: 2007 Report(2): 2007
<u>DE Technologies, Inc.</u> v. Dell Inc. Civil Action No. 7:04 CV 00628	U.S. District Court for the Western District of Virginia	Robins, Kaplan, Miller & Ciresi L.L.P.	Patent infringement	Dep: 2007 Report: 2006
Cummins-Allison Corp. v. <u>Glory Ltd., Glory Shoji Co., Ltd. and Glory (U.S.A.) Inc.</u> Civil Action No. 02 C 7008	U.S. District Court for the Northern District of Illinois, Eastern Division	Hogan & Hartson LLP	Patent infringement	Report(2): 2004, 2006
The Holmes Group, Inc. v. <u>West Bend Housewares, LLC and Focus Products Group, LLC</u> Civil Action No. 05-CV-11367 WGY	U.S. District Court for the District of Massachusetts	Michael Best & Friedrich LLP	Patent infringement	Report(2): 2006
<u>Novozymes A/S</u> v. Genencor International, Inc. and Enzyme Development Corporation Civil Action No. 05-160-KAJ	U.S. District Court for the District of Delaware	Darby & Darby PC	Patent infringement	Trial: 2006 Dep: 2006 Report(2): 2006
<u>One World Technologies, Ltd. and Ryobi Technologies, Inc.</u> v. Robert Bosch Tool Corporation. Rexon Industrial Corp., Ltd., Rexon USA, Corp., and Power Tool Specialists, Inc. Civil Action No. 04 C 0833	U.S. District Court for the Northern District of Illinois, Eastern Division	Brinks Hofer Gilson & Lione, P.C.	Patent infringement	Dep: 2006 Report: 2006
<u>InLine Connection Corporation v. AOL Time Warner Incorporated</u> and America Online, Inc. Civil Action No. 02-272	U.S. District Court for the District of Delaware	Latham & Watkins LLP	Patent infringement	Dep: 2006 Report: 2006

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Testimony Experience

<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
Archer Daniels Midland Company v. <u>Vogelbusch U.S.A., Inc. and UOP LLC</u> Case No. 98L 008240	Circuit Court of Cook County, Illinois County Department, Law Division	Winston & Strawn LLP and McDermott Will & Emery LLP	Breach of implied warranty	Trial: 2006 Dep: 2004 Report: 2004
Maytag Corporation v. <u>Electrolux Home Products, Inc.</u> , d/b/a Frigidaire Civil Action No. C 04-4067-MWB	U.S. District Court for the Northern District of Iowa, Western Division	Alston & Bird LLP	Patent infringement	Dep: 2006 Hearing: 2006 Report(2): 2006
<u>One World Technologies, Ltd. and Ryobi Technologies, Inc.</u> v. Rexon Industrial Corp., Ltd., Rexon USA, Corp., Power Tool Specialists, Inc., Porter-Cable Corp., Delta International Machinery Corp., and Pentair, Inc. Civil Action No. 04C-4337	U.S. District Court for the Northern District of Illinois, Eastern Division	Brinks Hofer Gilson & Lione, P.C.	Patent infringement	Dep: 2005 Report(2): 2005, 2006
<u>OPTi Inc.</u> v. nVidia Corporation Civil Action No. 2-04CV-377	U.S. District Court for the Eastern District of Texas, Marshall Division	Winston & Strawn LLP	Patent infringement	Report: 2006
<u>Medinol Ltd.</u> v. Guidant Corporation and Advanced Cardiovascular Systems, Inc. Civil Action No. 03 Civ. 2604 (SAS)	U.S. District Court for the Southern District of New York	Cravath, Swaine & Moore LLP and Morgan & Finnegan, L.L.P.	Patent infringement	Dep: 2005 Report(2): 2004, 2006
<u>Alcon Manufacturing, Ltd. and Alcon Laboratories, Inc.</u> v. Advanced Medical Optics, Inc. Civil Action No. 4-05CV-496-A	U.S. District Court for the Northern District of Texas, Fort Worth Division	Rader, Fishman & Grauer PLLC	Patent infringement	Dep: 2006 Report: 2006
<u>International Truck and Engine Corporation</u> v. Kile International Trucks, Inc. Case No. 2004L000580	Circuit Court of Eighteenth Judicial Circuit, DuPage County, Illinois, Law Division	Seyfarth Shaw LLP	Breach of contract	Dep: 2006 Report(2): 2005
Versus Technology, Inc. v. <u>Radianse, Inc.</u> Civil Action No. 04-1231	U.S. District Court for the District of Delaware	Lahive & Cockfield LLP	Patent infringement	Dep: 2006 Report: 2005
PowerOasis, Inc. and PowerOasis Networks, LLC v. <u>Wayport, Inc.</u> Civil Action No. 04-12023 RWZ	U.S. District Court for the District of Massachusetts	Wilmer Cutler Pickering Hale & Dorr LLP	Patent infringement	Dep: 2006 Report: 2005
Cummins-Allison Corp. v. <u>Glory Ltd., Glory Shoji Co., Ltd. and Glory (U.S.A.), Inc.</u> Civil Action No. 2-03-CV-358 (TJW)	U.S. District Court for the Eastern District of Texas, Marshall Division	Hogan & Hartson LLP	Patent infringement	Dep: 2005 Report(2): 2005, 2006
Mandy N. Haberman v. <u>Playtex Products Inc.</u> , Gerber Products Company and Wal-Mart Stores, Inc. Civil Action No. 05-C-0224-S	U.S. District Court for the Western District of Wisconsin	Latham & Watkins LLP	Patent infringement	Dep: 2005 Report: 2005
<u>SMART Technologies Inc.</u> v. Polyvision Corporation and Paragram Sales Company, Inc. Civil Action No. 1:04-cv-0713	U.S. District Court for the Western District of Michigan, Southern Division	Katten Muchin Rosenman LLP	Patent infringement	Report(2): 2005

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<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
<u>Kmart Corporation</u> v. Capital One Bank, Capital One F.S.B., Capital One Services, Inc. Case No. 03-055092-CK	State of Michigan Circuit Court for the County of Oakland	Kirkland & Ellis LLP	Breach of contract and trade secret	Dep: 2005
PolyVision Corporation v. <u>SMART Technologies Inc. and SMART Technologies Corporation</u> Civil Action No. 1:03-cv-0476	U.S. District Court for the Western District of Michigan, Southern Division	Katten Muchin Rosenman LLP	Patent infringement	Report: 2005
Solutions for Women, LLC v. <u>Warner Health Care, Inc., Berkeley Premium Nutraceuticals, Inc. and Vitaquest International, Inc. d/b/a Garden State Nutritionals, Inc.</u> Case No. CV04-10357 JFW (RCX)	U.S. District Court for the Central District of California, Western Division	Wood, Heron and Evans LLP	Patent infringement and trade secret	Report: 2005
<u>Flexi-Mat Corporation</u> v. Dallas Manufacturing Company, Inc., BJ's Wholesale Club, Inc., and Daskocil Manufacturing Company, Inc. Civil Action No. 04 10162 DPW	U.S. District Court for the District of Massachusetts	Michael Best & Friedrich LLP	Patent infringement	Dep: 2005 Report: 2005
<u>Morton Grove Pharmaceuticals, Inc.</u> v. Pharmaceutical Resources, Inc. and Par Pharmaceuticals, Inc. Civil Action No. 04 C 7007	U.S. District Court for the Northern District of Illinois, Eastern Division	Winston & Strawn LLP	Patent infringement	Dep: 2005 Report: 2005
Windy City Innovations, LLC v. <u>America Online, Inc.</u> Civil Action No. 04 C 4240	U.S. District Court for the Northern District of Illinois, Eastern Division	Banner & Witcoff, Ltd.	Patent infringement	Dep: 2005 Report: 2005
<u>Amersham PLC, et al.</u> v. Applera Corporation's Applied Biosystems Division File No. G-04-40	Center for Public Resources Institute for Dispute Resolution	Howrey LLP	Breach of license agreement	Arbitration: 2005 Dep: 2005 Report: 2005
<u>Honeywell International Inc. and Honeywell Intellectual Properties Inc.</u> v. Hamilton Sundstrand Corp. Civil Action No. 03-1153	U.S. District Court for the District of Delaware	Kirkland & Ellis LLP	Patent infringement	Trial: 2005 Dep(2): 2005 Report(2): 2005
Advanced Medical Optics, Inc. v. <u>Alcon Laboratories, Inc. and Alcon Manufacturing Ltd.</u> Civil Action No. 03-1095-KAJ	U.S. District Court for the District of Delaware	Kirkland & Ellis LLP	Patent infringement	Trial: 2005 Dep: 2004 Report(4): 2004, 2005
<u>Unimed Pharmaceuticals, Inc. and Laboratories Besins Iscovesco</u> v. Watson Pharmaceuticals, Inc. <u>Unimed Pharmaceuticals, Inc. and Laboratories Besins Iscovesco</u> v. Paddock Laboratories, Inc. Case Nos. 1:03-CV-2501 and 1:03-CV-2503	U.S. District Court for the Northern District of Georgia, Atlanta Division	Mayer, Brown, Rowe & Maw LLP	Patent infringement	Dep: 2005 Report: 2005

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<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
Deere & Company v. <u>The Toro Company</u> Civil Action No. 99-4100	U.S. District Court for the Central District of Illinois, Rock Island Division	Merchant & Gould	Patent infringement	Arbitration: 2005 Dep: 2004 Report(3): 2001, 2004, 2005
Dr. Marc L. Kozam, d/b/a MLK SOFTWARE and DATASCI, LLC v. <u>Phase Forward Incorporated and Quintiles Inc.</u> Civil Action No. 04-CV-1787 (MJG)	U.S. District Court, District of Maryland, Greenbelt Division	Kirkpatrick & Lockhart Nicholson Graham LLP	Patent infringement	Dep: 2005 Report: 2005
<u>Travel Tags, Inc.</u> v Digital Replay, Inc. Case No. 02-4726 MJD/JGL	U.S. District Court for the District of Minnesota	Merchant & Gould, P.C.	Patent infringement	Dep: 2005 Report: 2004
Mars, Inc., et al. v. <u>H.J. Heinz Co., LP Heinz Management Co., and Del Monte Corporation</u> Case No. CV-01-10961 RGK	U.S. District Court for the Southern District of California, Western Division	Covington & Burling and Kirkland & Ellis LLP	Patent infringement	Trial: 2005 Dep: 2003 Report(3): 2003, 2004
<u>Rodeo Cold Marketing Company and Wyoming West Designs LLC</u> v. Coors Brewing Company Case No. Civ: F-03-5280-AWI DLB	U.S. District Court for the Eastern District of California	Featherstone DeSisto LLP	Trademark infringement	Dep: 2004 Report(2): 2004, 2005
Richard J. Ditzik v. <u>Planar Systems, Inc.</u> , et al. Civil Action No. 03 – 74043	U.S. District Court for the Eastern District of Michigan, Southern Division	Shaw Pittman LLP	Patent infringement	Report: 2005
Savient Pharmaceuticals, Inc., et al. v. <u>Duramed Pharmaceuticals, Inc. and Barr Laboratories, Inc.</u> Civil Action No. 00-4509-DMC	U.S. District Court District of New Jersey	Winston & Strawn LLP	Patent infringement	Dep: 2004 Report: 2004
<u>3M Innovative Properties Company and 3M Company</u> v. Dentsply International, Inc. Civil Action No. 04 C 0564 S	U.S. District Court for the Western District of Wisconsin	Kirkland & Ellis LLP	Patent infringement	Dep: 2004 Report(2): 2004
<u>Honeywell International Inc. and Honeywell Intellectual Properties Inc.</u> v. Universal Avionics Systems Corp. and Sandel Avionics, Inc. Civil Action No. 03-242-MPT	U.S. District Court for the District of Delaware	Kirkland & Ellis LLP and Mayer, Brown, Rowe & Maw LLP	Patent infringement	Trial: 2004 Dep: 2004 Report(4): 2004
<u>QinetiQ Limited</u> v. Samsung Telecommunications America, L.P. Civil Action No. 2-03CV-221	U.S. District Court for the Eastern District of Texas, Marshall Division	Latham & Watkins LLP	Patent infringement	Trial: 2004 Report: 2004
<u>Dow AgroSciences LLC</u> v. Crompton Corporation and Uniroyal Chemical Company, Inc. Civil Action No. 1:03-CV-0654-SEB-JPG	U.S. District Court Southern District of Indiana, Indianapolis Division	Barnes & Thornburg LLP	Patent infringement	Dep: 2004 Report: 2004

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<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
Collaboration Properties, Inc. v. <u>Polycom Inc.</u> and <u>Polycom, Inc.</u> v. Collaboration Properties, Inc. and Avistar Communications Corp. Case No. C02-49591	U.S. District Court for the Northern District of California, San Francisco Division	Keker & Van Nest LLP	Patent infringement	Report: 2004
Yoon Ja Kim v. <u>ConAgra Foods, Inc.</u> Civil Action No. 01 CV 2467	U.S. District Court for the Northern District of Illinois, Eastern Division	Bingham McCutchen LLP	Patent infringement	Trial: 2004 Report(2): 2003, 2004
PSN Illinois, LLC v. <u>Oil-Dri Corporation of America</u> Civil Action No. 04C 0915	U.S. District Court for the Northern District of Illinois	Wildman, Harrold, Allen & Dixon LLP	Patent infringement	Report: 2004
Motorola, Inc. v. <u>Analog Devices, Inc.</u> Civil Action No. 1:03-CV-0131	U.S. District Court Eastern District of Texas, Beaumont Division	Wilmer Culter Pickering Hale and Dorr LLP	Patent infringement	Dep: 2004 Report(3): 2004
Syngenta Seeds, Inc. v. Monsanto Company, et al., <u>Pioneer Hi-Bred, et al.</u> Civil Action No. 02-1331 (SLR)	U.S. District Court for the District of Delaware	Kaye Scholer LLP	Patent infringement	Dep: 2004 Report: 2004
<u>Pinpoint Incorporated</u> v. Amazon.com Inc., et al. Civil Action No. 03C-4954	U.S. District Court for the Northern District of Illinois, Eastern Division	Bartlit Beck Herman Palenchar & Scott LLP	Patent infringement	Dep: 2004 Report(3): 2004
Riverwood International Corporation v. <u>R.A. Jones & Company, Inc.</u> No. 1:98-CV-2840-BBM	U.S. District Court for the Northern District of Georgia, Atlanta Division	Wood, Herron & Evans, LLP and Powell, Goldstein, Frazer & Murphy, LLP	Patent infringement	Trial: 2001 Dep: 2001 Report(2): 2001, 2004
<u>Do It Best Corp.</u> v. Passport Software, Inc. Case No. 01 C 7674	U.S. District Court for the Northern District of Illinois, Eastern Division	Barnes & Thornburg LLP	Copyright infringement	Dep: 2004 Report: 2004
<u>Arthur D. Little Enterprises, Inc.</u> and The Gillette Company Civil Action No. 11 133 00735 00	American Arbitration Association Northeast Case Management Center Riverside, Rhode Island	Morgan & Finnegan and Niro, Scavone, Haller & Niro	Licensing dispute	Dep: 2002 Report(2): 2001, 2004
Milliken & Company v. <u>Interface, Inc., et al.</u> Civil Action No. 7:02-3633-20	U.S. District Court for the District of South Carolina, Spartanburg Division	Kilpatrick Stockton LLP	Patent infringement	Trial: 2004 Dep: 2003 Report(4): 2003
<u>Haggerty Enterprises, Inc.</u> v. Creative Motion Industries, Inc. Case No. 02C 8578	U.S. District Court for the Northern District of Illinois, Eastern Division	Michael Best & Friedrich LLP	Trademark and trade dress infringement	Report: 2004
<u>Sanyo Energy (USA) Corporation</u> v. BYD Company Limited Case No. 02-CV01900B (JMA)	U.S. District Court for the Southern District of California	Hogan & Hartson LLP	Patent infringement	Dep: 2004 Report: 2004

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<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
Loeering Mfg. Inc. v. <u>Grouser Products, Inc. and Ronald J. Hoffart</u> Civil Action No. A3-02-008	U.S. District Court for the District of North Dakota, Southeastern Division	Merchant & Gould	Patent infringement	Dep: 2004 Report(2): 2003, 2004
Rambus, Inc. v. <u>Infineon Technologies AG, et al.</u> Civil Action No. 3:00CV524	U.S. District Court for the Eastern District of Virginia	Kirkland & Ellis LLP	Patent infringement, antitrust, breach of contract, fraud and RICO	Dep: 2001 Report(4); 2000, 2001, 2004
<u>Waters Technologies Corporation, et al.</u> v. Applera Corporation Civil Action No. 02-1285-GMS	U.S. District Court for the District of Delaware	Shaw Pittman LLP	Patent infringement	Dep: 2003 Report(2): 2003, 2004
<u>United States Filter Corporation</u> v. Met-Pro Corporation Civil Action No. 02-1491-GMS	U.S. District Court for the District of Delaware	Hale and Dorr LLP	Patent infringement	Report: 2003
John Mezzalingua Associates, Inc. d/b/a PPC, Inc. v. <u>Arris International, Inc.</u> Civil Action No. 03 C 0353 C	U.S. District Court for the Western District of Wisconsin	Bartlit Beck Herman Palenchar & Scott	Patent infringement	Trial: 2003 Dep: 2003 Report(3): 2003
T. Andrew Janes v. <u>Bose Corporation</u> Civil Action No. 02C3886	U.S. District Court for the Northern District of Illinois, Eastern Division	Fish & Richardson	Patent infringement	Report: 2003
<u>Johnson Controls Technology Company and Johnson Controls Interiors, L.L.C.</u> v. Donnelly Corporation Case No. 1:02-CV-419	U.S. District Court for the Western District of Michigan	Foley & Lardner	Patent infringement	Report: 2003
France Telecom, et al. and <u>RSA Security Inc.</u> Arbitration No. 11899/DB	International Chamber of Commerce, International Court of Arbitration, Paris, France	Testa, Hurwitz & Thibault, LLP	Breach of license agreement	Arbitration: 2003 Report: 2003
In re: Application of: Curt H. Appलगren, et al.	U.S. Patent and Trademark Office	Fitzpatrick, Cella, Harper & Scinto	Patent application	Declaration: 2003
Clinical Center Pharmacy, et al. v. <u>IMS Health Incorporated, et al.</u> Case No. 94-L-654	U.S. Circuit Court, Twentieth Judicial Circuit, St. Clair County, Illinois	Mayer, Brown, Rowe & Maw	Trade secret	Dep: 2003 Report: 2003
Tanox, Inc. and <u>Genentech, Inc.</u> Civil Action No. 74 Y181 01113 99	American Arbitration Association International Center for Dispute Resolution, San Francisco, California	Latham & Watkins	Trade secret, breach of contract and unfair competition	Arbitration: 2003 Dep: 2002 Report: 2002
Leon Stambler v. <u>RSA Security Inc., VeriSign Inc., First Data Corporation, Openwave Systems, Inc., OmniSky Corporation, and Certicom Corp.</u> Civil Action No. 01-0065	U.S. District Court for the District of Delaware	Hale and Dorr LLP	Patent infringement	Dep: 2003 Report(2): 2002, 2003

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<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
Susan M. Maxwell v. <u>Meijer, Inc., et al.</u> Civil Action No. IP95-870-C-Y/F	U.S. District Court for the Southern District of Indiana	Baker & Daniels	Patent infringement	Report: 2002
<u>Honeywell International Inc. and Honeywell Intellectual Property Inc.</u> v. Solutia, Inc. Civil Action No. 01-423	U.S. District Court for the District of Delaware	Kirkland & Ellis LLP	Patent infringement	Report: 2002
<u>BorgWarner Inc. and BorgWarner TorqTransfer Systems Inc.</u> v. New Venture Gear Inc. No. 00-C-7470	U.S. District Court for the Northern District of Illinois, Eastern Division	Brinks Hofer Gilson & Lione	Patent infringement	Dep: 2002 Report: 2002
ACTV, Inc. and HyperTV Networks, Inc. v. <u>The Walt Disney Co., ABC, Inc. and ESPN, Inc.</u> Civil Action No. 00CIV 9622 JSR	U.S. District Court for the Southern District of New York	Weil, Gotshal & Manges LLP	Patent infringement	Dep: 2002 Report: 2002
<u>Hill-Rom, Inc.</u> v. Ohmeda Medical, Inc. No. C.A. IP001500-CY/G	U.S. District Court for the Southern District of Indiana, Indianapolis Division	Barnes & Thornburg	Patent infringement	Dep: 2002 Report(2): 2002
Bancorp Services, L.L.C. v. <u>Hartford Life Insurance Company and International Corporate Marketing Group, Inc.</u> No. 4:00-CV-0070	U.S. District Court for the District of Missouri, Eastern Division	Akin, Gump, Strauss, Hauer & Feld, LLP	Patent infringement and trade secret	Trial: 2002 Dep: 2001
Pechiney Plastic Packaging, Inc. v. <u>Continental PET Technologies, Inc.</u> Civil Action No. B90-558 (EBB)	U.S. District Court for the District of Connecticut	Akin, Gump, Strauss, Hauer & Feld, LLP	Patent infringement	Dep: 2002 Report: 2002
TV/Com International, Inc. v. <u>MediaOne of Greater Florida, Inc., Canal Plus Technologies S.A., Canal Plus US Technologies, Inc. and Société Européenne de Contrôle d' Accès</u> No. 3:00-CV-1045-J-21 A	U.S. District Court for the Middle District of Florida, Jacksonville Division	Oblon, Spivak, McClelland, Maier & Neustadt	Patent infringement	Report: 2001
<u>Residential Funding Corporation</u> v. DeGeorge Financial Corp., et al. No. 3:00CV202 (JBA)	U.S. District Court for the District of Connecticut	Bartlit Beck Herman Palenchar & Scott	Breach of contract and unfair trade practices	Trial: 2001 Dep: 2001 Report: 2001
<u>Soitec, S.A. and CEA</u> v. Silicon Genesis Corporation No. Civil Action 99-CV-10826 NG	U.S. District Court for the District of Massachusetts	Winston & Strawn LLP	Patent infringement	Dep: 2001 Report(2): 2000, 2001
<u>Caterpillar, Inc.</u> v. Deere & Company No. 96C 5355	U.S. District Court for the Northern District of Illinois	Mayer, Brown & Platt	Patent infringement	Dep: 1999 Report(4): 1998, 1999, 2001
Zevo Golf Co., Inc. v. <u>Karsten Manufacturing Corp., et al.</u> No. 99-CV-2310-H	U.S. District Court for the Southern District of California	Bryan Cave LLP	Patent infringement	Dep: 2001 Report: 2001

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<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
Roxane Laboratories, Inc. v. <u>Unimed Pharmaceuticals, Inc.</u> No. C2 00 125	U.S. District Court for the Southern District of Ohio, Eastern Division	Sonnenschein Nath & Rosenthal	Breach of contract	Dep: 2001 Report(2): 2001
Pharmacia & Upjohn AB v. <u>Genentech, Inc.</u> No. 10295/AMW/KGA	International Chamber of Commerce Arbitration	Latham & Watkins	Breach of contract	Arbitration: 2001 Report(3): 2000, 2001
<u>Honeywell International, Inc. and Honeywell Intellectual Properties, Inc.</u> v. Hamilton Sundstrand Corporation No. Civil Action 99-309 (GMS)	U.S. District Court for the District of Delaware	Kirkland & Ellis LLP	Patent infringement	Trial: 2001 Dep: 2001 Report(2): 2000, 2001
MorphoSys AG v. <u>Cambridge Antibody Technology, Ltd.</u> No. 1:99CV01012	U.S. District Court for the District of Columbia	Katten Muchin Zavis	Patent infringement	Dep: 2000 Report(4): 2000, 2001
<u>CCL Container (Hermitage) Inc.</u> v. Exal Corp. No. Civil Action 98-1786	U.S. District Court for the Western District of Pennsylvania	Laff, Whitesel & Saret Ltd.	Patent infringement	Dep: 2001 Report: 2000
<u>TorPharm, Inc.</u> v. Ranbaxy Pharmaceuticals, Inc., et al. No. 99-714 (JCL)	U.S. District Court for the District of New Jersey	Lord, Bissell & Brook	Patent infringement	Report: 2000
Xu Liu v. <u>Price Waterhouse LLP and Computer Language Research, Inc.</u> No. 97 C 3093	U.S. District Court for the Northern District of Illinois, Eastern Division	Kirkland & Ellis LLP	Copyright infringement	Trial: 2000 Dep: 1998 Report(3): 1998
Curtis P. Bryant, Kim R. Bryant and Rebecca Meloan v. <u>American Greetings Corporation</u> No. 99-WM-1819	U.S. District Court for the District of Colorado	Merchant & Gould	Trademark and copyright infringement	Report: 2000
Rotec Industries, Inc. v. <u>Mitsubishi Corporation</u> No. 99-2080	U.S. District Court for the Central District of Illinois	Mayer, Brown & Platt	Trade secret	Report: 2000
Spalding Sports Worldwide, Inc. v. <u>Wilson Sporting Goods Company</u> No. 98-CV-2855	U.S. District Court for the Northern District of Ohio, Eastern Division	Seyfarth Shaw	Patent infringement	Report: 2000
<u>Newell Operating Company, doing business as and through its division, EZ Paint Company</u> v. Linzer Products Corporation No. 98-C-0864	U.S. District Court for the Eastern District of Wisconsin	Winston & Strawn LLP	Patent infringement	Report: 2000
Keith S. Champlin, PhD and Midtronics, Inc. v. <u>Actron Manufacturing Company Inc.</u> Civil Action No. 98-CV-06441	U.S. District Court for the Northern District of Illinois	Sidley & Austin	Patent infringement	Report: 2000
<u>Joseph Serfecz & First Chicago Trust Co.</u> v. Jewel Foods Stores, Inc., et al. No. 92 C 4171	U.S. District Court for the Northern District of Illinois, Eastern Division	Rock Fusco Reynolds Crowe & Garvey Lynda J. Khan & Associates	Antitrust restraint of trade and breach of contract	Dep(2): 1993, 1997 Report(3): 1993, 1997, 2000

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<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
First Health Group Corp., formerly known as HealthCare Compare Corp., d/b/a The First Health AFFORDABLE Medical Networks v. <u>United Payors & United Providers, Inc.</u> No. 9 C 2518	U.S. District Court for the Northern District of Illinois, Eastern Division	Kirkland & Ellis LLP	Unfair competition	Dep(2): 1999 Report(2): 1999
<u>Goody Products, Inc.</u> v. The New L&N Sales & Marketing, Inc. and Rommy Hunt Revson Civil Action No. 99C-0724	U.S. District Court for the Northern District of Illinois, Eastern Division	Schiff Hardin & Waite	Patent infringement	Dep: 1999 Report: 1999
<u>Lucent Technologies, Inc.</u> v. Newbridge Networks Corporation and Newbridge Networks Inc. No. 97-347	U.S. District Court for the District of Delaware	Kirkland & Ellis LLP	Patent infringement	Trial: 1999 Dep: 1999 Report(2): 1999, 2000
<u>EMI Group North America, Inc.</u> v. Cypress Semiconductor Corporation No. 98-350-RRM	U.S. District Court for the District of Delaware	Sidley & Austin and Morris, Nichols, Arsht & Tunnell	Patent infringement	Trial: 1999 Dep: 1999 Report: 1999
Precor Incorporated v. <u>Life Fitness, et al.</u> No. C94-1586C	U.S. District Court for the Western District of Washington at Seattle	Lane Powell Spears & Lubersky and Bartlit Beck Herman Palenchar & Scott	Patent infringement and unfair competition	Trial: 1999 Dep(3): 1995, 1996, 1999 Report(3): 1995, 1996, 1999
The Regents of the University of California v. <u>Genentech, Inc.</u> No. C 90-2232 CAL	U.S. District Court for the Northern District of California	Rogers & Wells	Patent infringement	Dep: 1998, 1999 Report(2): 1997, 1999
<u>AMP Incorporated and The Whitaker Corporation</u> v. Teradyne, Inc. No. 4:CV-98-0975	U.S. District Court for the Middle District of Pennsylvania	Brinks Hofer Gilson & Lione	Patent infringement and trade secret	Dep: 1999 Report: 1999
Investment Holdings, Inc., and its wholly-owned subsidiaries Surface Technical Systems, Inc., Electrolizing, Inc. and ME-92 Operations, Inc. v. <u>Smith & Nephew, Inc. and Harry E. Corl, III</u> Case No. 97-3021	U.S. District Court for the Western District of Tennessee	Fulbright & Jaworski	Trade secret	Dep: 1999 Report: 1999
LePage's Incorporated and LePage's Management Co. LLC v. <u>Minnesota Mining and Manufacturing Company (3M)</u> No. 97-CV-3983	U.S. District Court for the Eastern District of Pennsylvania	Collier, Shannon, Rill & Scott	Antitrust	Trial: 1999 Dep: 1998 Report: 1998
<u>Micro Solutions, Inc.</u> v. Hewlett-Packard Company, <u>Micro Solutions, Inc.</u> v. Computer Connections America, Inc., and H45 Technology Corporation Civil Action No. 98 C 50135	U.S. District Court for the Northern District of Illinois, Western Division	Brinks Hofer Gilson & Lione	Patent infringement	Dep: 1999 Report: 1999
Ferndale Laboratories, Inc. v. <u>Block Drug Company, Inc., Reed & Carrick Division and Schwarz Pharma, Inc.</u> No. 95-CV-12796-DT	U.S. District Court for the Eastern District of Michigan, Southern Division	Dickinson, Wright, Moon, Van Dusen & Freeman	Breach of contract	Trial: 1999 Dep: 1997 Report(2): 1997, 1999

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<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
Hilgraeve Corporation v. <u>McAfee Associates, Inc. (Network Associates)</u> No. 97-74695	U.S. District Court for the Eastern District of Michigan, Southern Division	Wilson, Sonsini, Goodrich & Rosati	Patent infringement	Report: 1998
Dade Behring Marburg GmbH Syva Company, and Dade Behring, Inc. v. <u>Biosite Diagnostics, Inc.</u> No. 97-501	U.S. District Court for the District of Delaware	Kaye, Scholer, Fierman, Hays & Handler	Patent infringement	Dep: 1998 Report: 1998
United Technologies Motors Systems, Inc. v. <u>Borg Warner Automotive, Inc.</u> No. 97-71706	U.S. District Court for the Eastern District of Michigan, Southern Division	Brinks Hofer Gilson & Lione	Patent infringement	Report: 1998
<u>F.C. Cycles International, Inc.</u> v. FILA Sport S.p.A. No. AMD 96-107	U.S. District Court for the District of Maryland	Dickstein Shapiro Morin & Oshinsky	Wrongful termination of a license	Dep: 1998 Report: 1998
<u>Videojet Systems International, Inc.</u> v. Eagle Inks, Inc. and Frank M. Quaglia, Jr. No. 97 C 4505	U.S. District Court for the Northern District of Illinois	Jones, Day, Reavis & Pogue	Patent infringement	Report: 1998
<u>Smith & Nephew Richards, Inc.</u> v. Zimmer, Inc. No. 94-2479 GBRO	U.S. District Court for the Western District of Tennessee	Pravel Hewitt Kimball & Krieger	Patent infringement	Dep: 1998 Report(4): 1998
<u>Alumax, Inc.</u> v. Hot Metal Molding, Inc., Hot Metal Technologies, Inc., Buhler, Inc., Buhler AG, and Ormet Primary Aluminum Corporation No. LR-C-95-486	U.S. District Court for the Eastern District of Arkansas, Little Rock Division	Jones & Askew	Patent infringement	Dep: 1998 Report(3): 1998
Time Inc. v. <u>Petersen Publishing Company, LLC</u> Civil Action No. 97 Civ. 5879 (HB)	U.S. District Court for the Southern District of New York	Kirkland & Ellis LLP	Trademark infringement	Trial: 1998 Dep: 1998 Report(2): 1998
Donald E. Haney v. <u>Timesavers, Inc., et al.</u> No. CV-93-151-HA (Lead)	U.S. District Court for the District of Oregon	Bartlit Beck Herman Palenchar & Scott	Patent infringement	Trial: 1998 Dep: 1997 Report: 1997
Stryker Corporation v. <u>Davol, Inc.</u> , <u>Davol, Inc.</u> v. Stryker Corporation No. 96CV191	U.S. District Court for the Western District of Michigan, Southern Division	Winston & Strawn LLP	Patent infringement	Trial: 1998 Dep(2): 1998 Report(6): 1997, 1998
<u>Caterpillar, Inc.</u> v. Detroit Diesel Corporation No. 3:95 CV0489 RM	U.S. District Court for the Northern District of Indiana, South Bend Division	Ungaretti & Harris, Barnes & Thornburg, and Howrey & Simon	Patent infringement	Dep(2): 1997, 1998 Report(2): 1997, 1998
Mattel, Inc. v. <u>Thomas Lowe Ventures, Inc., et al.</u> and <u>Thomas Lowe Ventures, Inc., et al.</u> v. Mattel, Inc. No. CV 96-7872 CBM (CWx)	U.S. District Court for the Central District of California	Laff, Whitesel, Conte & Saret	Copyright, trademark and trade dress infringement, unfair competition, and false advertising	Report(2): 1997

Julie L. Davis
Testimony Experience

<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
<u>Genentech, Inc.</u> v. Boehringer Mannheim GmbH, and Boehringer Mannheim Corporation No. 96-11090 PBS	U.S. District Court for the District of Massachusetts	Rogers & Wells	Patent infringement	Dep: 1997 Report: 1997
C&F Packing Co., Inc. v. <u>IBP, Inc., and Pizza Hut, Inc.</u> No. 93 C 1601	U.S. District Court for the Northern District of Illinois, Eastern Division	Schiff Hardin & Waite and Seyfarth Shaw	Patent infringement and trade secret	Trial: 1998 Dep: 1997 Report: 1996
Industrial Wire Products, Inc. v. <u>Lee/Rowan Company and Gary Lee</u> No. 4:95 CVO1705CAS	U.S. District Court for the Eastern District of Michigan	Schiff Hardin & Waite	Patent and trademark infringement	Report: 1997
<u>Newell Operating Company, doing business as and through its division, EZ Paint Company</u> v. Wooster Brush Company No. 96-C-511	U.S. District Court for the Eastern District of Wisconsin	Schiff Hardin & Waite	Patent infringement	Dep: 1997 Report(2): 1997
Albert L. Wokas v. <u>Dresser Industries, Inc. d/b/a Wayne Dresser</u> No. 1:96 CV0297	U.S. District Court for the Northern District of Indiana, Fort Wayne Division	Bartlit Beck Herman Palenchar & Scott	Patent infringement	Dep: 1997 Report: 1997
Discovision Associates v. Disc Manufacturing, Inc. consolidated with <u>Disc Manufacturing, Inc.</u> v. Pioneer Electronic Corp., Pioneer Electronics (USA) Inc., Pioneer Electronics Capital, Inc., and Discovision Assoc. Nos. 95-345-SLR and 95-21-SLR	U.S. District Court for the District of Delaware	Brinks Hofer Gilson & Lione	Antitrust and unfair competition	Dep: 1997 Report: 1997
PPG Industries, Inc. v. <u>Guardian Industries Corporation</u> No. 94-1112	U.S. District Court for the Western District of Pennsylvania	Kirkland & Ellis LLP	Patent infringement	Trial: 1997 Report(2): 1997
<u>Gossen Corporation</u> v. Marley Mouldings, Inc. No. 96-C-0351	U.S. District Court for the Eastern District of Wisconsin	Leydig, Voit & Mayer, Ltd.	Patent infringement	Dep(2): 1997 Report: 1997
<u>Sextant Avionique, S.A.</u> v. Analog Devices, Inc. No. C95 2838 SI	U.S. District Court for the Northern District of California	Fried, Frank, Harris, Shriver & Jacobson	Patent infringement	Dep: 1997 Report: 1997
NeXstar Pharmaceuticals, Inc. v. <u>The Liposome Company, Inc.</u> <u>The Liposome Company, Inc.</u> v. NeXstar Pharmaceuticals, Inc. and Fujisawa USA, Inc. Civil Action No. 93-232 (RRM)	U.S. District Court for the District of Delaware	Rogers & Wells	Patent infringement	Report(2): 1997
Avon Products, Inc. v. <u>S.C. Johnson & Son, Inc.</u> 94 Civ. 3958 (AGS)	U.S. District Court for the Southern District of New York	Pattishall, McAuliffe, Newbury, Hilliard & Geraldson LLP	False advertising	Trial: 1997 Dep: 1996 Report(3): 1996
<u>Symtron Systems, Inc.</u> v. Contraves, Inc. No. 94-4109 (AMW)	U.S. District Court for the District of New Jersey	Graham, Curtin & Sheridan	Patent infringement	Report: 1996

Julie L. Davis
Testimony Experience

<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
Ajinomoto Co., Inc. v. <u>Archer Daniels Midland Co.</u> No. 95-218 (SLR)	U.S. District Court for the District of Delaware	Laff, Whitesel, Conte & Saret and Williams & Connolly	Patent infringement	Trial: 1996 Dep: 1996 Report: 1996
<u>General Signal Corporation</u> v. Applied Materials, Inc. No. 94-461	U.S. District Court for the District of Delaware	Rogers & Wells	Patent infringement	Report: 1996
<u>Dade International, Inc.</u> v. Electronic Data Systems Corporation No. 95-1293	U.S. District Court for the Southern District of Florida	Holleb & Coff	Breach of contract	Arbitration: 1996 Dep: 1996 Report(3): 1996, 1997
O.I. Corporation v. <u>Tekmar Company</u> No. G-95-113	U.S. District Court for the Southern District of Texas, Galveston Division	Fish & Neave	Patent infringement	Report: 1996
<u>Cistron Biotechnology, Inc.</u> v. Immunex Corp. No. C93-1742WD	U.S. District Court for the Western District of Washington	Kirkland & Ellis LLP	Trade secret	Report(2): 1996
<u>Monon Corporation</u> v. Stoughton Trailers, Inc. No. 95C0511	U.S. District Court for the Northern District of Illinois	Lee F. Grossman & Associates	Patent infringement	Report: 1996
Lull Industries, Inc. v. <u>Pettibone Corporation and Traverse Lift Company</u> No. 4-94-227	U.S. District Court for the District of Minnesota, 4 th Division	Sperling, Slater & Spitz	Patent infringement and antitrust	Report(2): 1995
<u>Dorr-Oliver Incorporated</u> v. Fluid-Quip, Inc., Andrew Franko, and Pic Tek, Inc. No. 93 C 0842	U.S. District Court for the Northern District of Illinois, Eastern Division	Felfe & Lynch	Trademark and trade dress infringement	Trial: 1995 Report: 1995
Richardson-Vicks, Inc. v. <u>Upjohn Company</u> , McNeil-PPC, Inc. and Johnson & Johnson No. 93-556SLR	U.S. District Court for the District of Delaware	Brinks Hofer Gilson & Lione	Patent infringement	Trial: 1995 Dep: 1995 Report: 1995
<u>Storck USA, LP, and August Storck</u> v. Farley Candy Company, Inc. No. 92-C 0552	U.S. District Court for the Northern District of Illinois, Eastern Division	Laff, Whitesel, Conte & Saret	Trade dress and false advertising	Trial: 1995 Dep: 1995 Report(4): 1994, 1995
Al-Site Corp. v. <u>Opti-Ray, Inc.</u> No. CV-91-1770 (ILG) and No. CV-92-4205 (ILG)	U.S. District Court for the Eastern District of New York	Schiff Hardin & Waite	Patent infringement	Trial: 1995 Dep(2): 1994, 1995 Report(2): 1994, 1995
<u>The Dow Chemical Co.</u> v. The United States No. 19-83C	U.S. Court of Federal Claims	Lieberman & Nowak	Patent infringement	Trial: 1994 Dep: 1994
<u>Imax Corporation</u> v. World Odyssey, Inc. and the Jefferson National Expansion Historical Association, Inc. No. 4:93 V001285 GFG	U.S. District Court for the Eastern District of Missouri	Laff, Whitesel, Conte & Saret	Patent infringement	Dep: 1994
<u>Morton International, Inc.</u> v. Thomas E. Nowakowski, et al. No. 93-CV-2967	U.S. District Court for the Eastern District of Pennsylvania	Jones, Day, Reavis & Pogue	Trade secret	Dep: 1994 Report: 1994

Julie L. Davis
Testimony Experience

<i>Lawsuit</i>	<i>Court</i>	<i>Law Firm</i>	<i>Type</i>	<i>Testimony</i>
<u>BHI Corporation, et al. v. Mesirow Realty Management, Inc.</u> No. 89 CH 3332	Circuit Court of Cook County, Illinois, Chancery Division	Clausen, Miller, Gorman Caffrey & Witous, P.C.	Business interruption	Dep: 1994 Report: 1990
Charles C. Allenson v. <u>Hoyne Savings Bank</u> No. 90 CH 10351	Circuit Court of Cook County, Illinois, Chancery Division	Ruff, Weidenaar & Reidy, Ltd.	Deceptive business practice and consumer fraud	Dep: 1994
Brent Thomas Smith, et al. v. <u>Kansas City Power and Light Co. d/b/a KPL Gas Service Co.</u> CV91-0873-CV-W-3	U.S. District Court for the Western District of Missouri, Kansas City Division	Hillix, Brewer, Hoffhaus, Whittaker & Wright	Business interruption	Trial: 1992 Dep: 1992 Report: 1992
Electronic Business Systems, Inc. v. <u>Omron Business Systems, Inc.</u>	U.S. District Court for the District of Kansas	Mayer Brown & Platt	Dealership termination	Dep: 1988

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 2

Documents Considered in Forming Opinion

Begin Bates	End Bates	Description
EDISON MISSION 0000040	EDISON MISSION 0000049	Term Sheet between Edison Mission Energy and Mitsubishi Power Systems Americas, Inc., December 7, 2006
EDISON MISSION 0000095	EDISON MISSION 0000117	Revision 1 - Technical Review of the Mitsubishi MWT/95 Wind Turbine, December 27, 2006
EDISON MISSION 0000458	EDISON MISSION 0000478	Revision 2 - Technical Review of the Mitsubishi MWT/95 Wind Turbine, February 1, 2007
EDISON MISSION 0000479	EDISON MISSION 0000499	Revision 2 - Technical Review of the Mitsubishi MWT/95 Wind Turbine, February 1, 2007
EDISON MISSION 0000524	EDISON MISSION 0000535	Determination of the voltage dip capability of the MWT 95/2.4 according to FERC order 661-A, March 12, 2009
EDISON MISSION 0000560	EDISON MISSION 0000563	Germanischer Lloyd Industrial Services GmbH Renewables Certification Report, April 24, 2009
EDISON MISSION 0000581	EDISON MISSION 0000588	Supplemental Declaration of Robert E. Palmer in Support of Plaintiff Edison Mission Energy's Reply to Defendants' Memorandum of Points and Authorities in Opposition to Plaintiff's Motion for Preliminary Injunction, July 23, 2010
EDISON MISSION 0000589	EDISON MISSION 0000597	Supplemental Declaration of Karen House in Support of Plaintiff Edison Mission Energy's Reply to Defendants' Memorandum of Points and Authorities in Opposition to Plaintiff's Motion for Preliminary Injunction, July 23, 2010
EDISON MISSION 0000609	EDISON MISSION 0000623	Plaintiff Edison Mission Energy's Reply to Defendants' Memorandum of Points and Authorities in Opposition to Plaintiff's Motion for Preliminary Injunction, July 23, 2010
EDISON MISSION 0000627	EDISON MISSION 0000631	Declaration of Karen House in Support of Plaintiff Edison Mission Energy's Motion for Preliminary Injunction, July 6, 2010
EDISON MISSION 0000632	EDISON MISSION 0000757	Declaration of Robert E. Palmer in Support of Plaintiff Edison Mission Energy's Motion for Preliminary Injunction, July 6, 2010
EDISON MISSION 0000769	EDISON MISSION 0000892	Declaration of Gerard P. Loughman in Support of Plaintiff Edison Mission Energy's Motion for Preliminary Injunction, July 2, 2010
GENDTX00000025	GENDTX00000063	Contract for the Sale of Power Generation Equipment and Related Services between General Electric Company and Tawhiri Power LLC, December 8, 2005
GENDTX00000662	GENDTX00000755	Contract for the Sale of Power Generation Equipment and Related Services between General Electric Company and Airtricity, Inc., June 26, 2006
GENDTX00001555	GENDTX00001557	Technical drawings
GENDTX00001558	GENDTX00001559	Technical drawings
GENDTX00001688	GENDTX00001729	Strength calculation on the bolt connection of the upper and lower part of the machine frame of the GEWE 3.x wind turbine, June 26, 2002
GENDTX00072693	GENDTX00072765	Master Contract for the Sale of Power Generation Equipment and Related Services (2008 WTGs) between General Electric Company and Noble Environmental Power 2008 Equipment Co., LLC, October 17, 2006
GENDTX00074646	GENDTX00074797	GE Financial Summaries by Opportunity or Project
GENDTX00099485	GENDTX00099507	GE Wind Energy Financial Information 2005 - 2007
GENDTX00099564	GENDTX00099579	GE Wind Energy Orders 2007 - 2009
GENDTX00099580	GENDTX00099781	GE Financial Summaries by Opportunity or Project
GENDTX00102743	GENDTX00102866	Contract for Sale of Wind Turbine Generators with Field Engineering Services between GE Wind Energy and Kaheawa Wind, January 19, 2005
GENDTX00104847	GENDTX00104866	Patent License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc. and AAER, Inc., April 9, 2007
GENDTX00104867		Signature page to license agreement, June 23, 2006
GENDTX00104868	GENDTX00104877	License Agreement between GE Power Technology LLC and Americas Wind Energy, Inc., May 11, 2005
GENDTX00104878	GENDTX00104892	Patent License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc. and Conergy Wind GmbH, October 8, 2008
GENDTX00104878	GENDTX00104892	Patent License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc., Blitz F08-eins-
GENDTX00104893	GENDTX00104932	Settlement and Cross-License Agreement between Enercon GMBH, Mr. Aloys Wobben and General Electric Company, May 10, 2004
GENDTX00104933	GENDTX00104957	Patent License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc. and EU Energy Inc., October 6, 2006
GENDTX00104958	GENDTX00105004	Settlement and Cross License Agreement between Gamesa Eolica, S.A. and GE Wind Energy, LLC, April 1, 2005
GENDTX00105005	GENDTX00105018	Patent License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc. and Ming Yang Wind Power Technology Company Ltd., November 28, 2008

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

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Documents Considered in Forming Opinion

Begin Bates	End Bates	Description
GENDTX00105019	GENDTX00105028	License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc. and Fuhrlander AG, April 19, 2006
GENDTX00105029	GENDTX00105045	Patent License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc. and Repower Systems AG, June 6, 2006
GENDTX00105046	GENDTX00105054	License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc. and Vensys Energiesysteme GmbH & Co. KG, February 23, 2006
GENDTX00105055	GENDTX00105076	Patent License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc. and Harrington License Company, LLC, April 27, 2006
GENDTX00105260	GENDTX00105261	Document in a foreign language
GENDTX01457974	GENDTX01458005	Garrad Hassan Technical Due Diligence Review of the GE Offshore Turbine, April 29, 2010
GENDTX01490607	GENDTX01490609	Email re: 2.4MW MHI - PPM, October 24, 2006
GENDTX01565425	GENDTX01565426	Email re: Deadlines for sending Presentations, September 29, 2004
GENDTX01726871		Email re: EER On Point for Global Wind Advisory Clients - Mitsubishi Squares off with GE Wind for Supply, October 29, 2009
GENDTX01853518	GENDTX01853519	Curriculum Vitae of Vincent Michael Schellings
GENDTX03219508		Iberdrola Renewables Inc. GE Short Listed 300-350 MW RFP, March 4, 2011
GENDTX03429944	GENDTX03430015	J.P. Morgan Global Equity Research - Global Power Market Review, February 24, 2009
GENDTX03502874	GENDTX03502944	US Wind Power Markets and Strategies, 2008-2020, July 2008
GENDTX03612863	GENDTX03612963	Email with RFQ attachments re: Iberdrola US RFP 2010-12, January 7, 2008
GENDTX04748337	GENDTX04748570	Emerging Energy Research - US Wind Power Market and Strategies: 2010 - 2025, May 2010
GENDTX05533662	GENDTX05533667	Email re: IP Inventory/Catalogue Process Wind Energy, August 11, 2004
GENDTX05533669	GENDTX05533671	Spreadsheet with IP Categories
GENDTX05538060	GENDTX05538157	General Electric Energy, General Electric Wind Energy Economic Analysis of Transfer of Intangible Property by PricewaterhouseCoopers LLP, February 15, 2005
GENDTX05901003	GENDTX05901092	Strength calculation on the EW 3.x wind turbine machine frame, January 15, 2002
GENDTX07603439	GENDTX07603517	Wind Growth Playbook 2007, April 23, 2006
GENDTX07607516	GENDTX07607532	Renewable Growth Playbook 2007, May 2, 2007
GENDTX07607547	GENDTX07607599	Renewable Energy Growth Playbook, May 20, 2009
GENDTX07659163	GENDTX07659212	Wind Growth Playbook 2006, April 11, 2006
GENDTX07662813	GENDTX07662814	Email re: GEPS GTC IP Inventory Template, February 5, 2004
GENDTX07664166	GENDTX07664329	GE Budgetary Quotes and Emails for EME and Iberdrola
GENDTX07664330	GENDTX07664337	Letter re: Firm Proposal for Iberdrola Renovables, USA Frame Agreement for the Purchase of Wind Turbines in the 2010-2012 Period, January 21, 2008
GENDTX07664338	GENDTX07664339	Email re: Summary of conditions Taloga/MTSA/Broken Bow transactions, September 14, 2010
GENDTX07665834	GENDTX07665835	Email re: turbine cost, November 20, 2001
GENDTX07668375	GENDTX07668426	Enron Wind presentation in a foreign language
GENDTX07670414		Email in a foreign language, January 23, 2001
GENDTX07670449		Email in a foreign language, December 12, 2000
GENDTX07692734		2.5 MH - Capacity and Cost Analysis
GENDTX07692736		WA State Cargo Weight Requirements
GENDTX07692737	GENDTX07692793	Renewable Energy Growth Playbook, May 20, 2009
GENDTX07692799	GENDTX07692800	Email re: Summary of conditions Taloga/MTSA/Broken Bow transactions, September 30, 2010
GENDTX07692801	GENDTX07692803	Email re: Pricing for turbines, September 1, 2010

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 2

Documents Considered in Forming Opinion

Begin Bates	End Bates	Description
GENDTX07692804	GENDTX07692806	Email re: Taloga Discussions, September 29, 2010
GENDTX07692807	GENDTX07692914	Email with attachment re: Redlined TSA (Taloga), October 1, 2010
GENDTX07692915	GENDTX07692934	Summary of track changes
GENDTX07692935	GENDTX07693031	Renewables Growth Playbook, May 7, 2008
GENDTX07693032	GENDTX07693032	Email with attachment re: EME Taloga Redline, October 11, 2010
GENDTX07693112	GENDTX07693113	Email re: EME Taloga Update, October 7, 2010
GENDTX07693114	GENDTX07693116	Email re: EME, September 1, 2010
GENDTX07693117	GENDTX07693118	Email re: 2011 Delivery, September 1, 2010
GENDTX07693119	GENDTX07693126	Email with attachment re: GE 1.6 XLE Pricing, September 2, 2010
GENDTX07693127	GENDTX07693205	Contract for the Sale of Power Generation Equipment and Related Services between General Electric Company and [Customer Name], October 11, 2010 (draft)
GENDTX07693206	GENDTX07693208	Email re: Contract conditions and pricing, September 16, 2010
GENDTX07693209	GENDTX07693212	Email re: Budgetary Price Quote, August 10, 2010
GENDTX07693213	GENDTX07693214	Email re: EME Update Sep 10 2010, September 14, 2010
GENDTX07693215	GENDTX07693216	Email re: GE 1.6 XLE Pricing, September 2, 2010
GENDTX07693217	GENDTX07693219	Email re: Pricing for turbines, September 1, 2010
GENDTX07693220	GENDTX07693223	Email re: Project manager's contact info
GENDTX07693224	GENDTX07693227	Email re: Taloga Status
GENDTX07693228	GENDTX07693231	Email re: Taloga Ts and Cs, October 7, 2010
GENDTX07693232	GENDTX07693339	Email with attachment re: Redlined TSA (Taloga), October 1, 2010
GENDTX07693340	GENDTX07693359	Summary of track changes
GENDTX07693360	GENDTX07693361	Email re: EME proposal, September 10, 2010
GENDTX07693362	GENDTX07693366	Email with attachment re: Taloga 130 MW Summary and Action Items
GENDTX07693367	GENDTX07693368	Email re: Taloga Status
GENDTX07693369	GENDTX07693370	Email re: Taloga Ts and Cs
GENDTX07693371	GENDTX07693424	Renewables Growth Playbook, May 7, 2008
GENDTX07693443	GENDTX07693501	Renewable Growth Playbook 2007, May 2, 2007
GENDTX07693584	GENDTX07693595	First Amendment to Contract for the Sale of Power Generation Equipment and Related Services, February 23, 2009
GENDTX07693596	GENDTX07693653	Attachment 6 to Original Contract Delivery Order-2 for the Sale of Power Generation Equipment and Related Services - Manzana, July 29, 2010
GENDTX07693654	GENDTX07693716	Attachment 6 to Original Contract Delivery Order-2 for the Sale of Power Generation Equipment and Related Services - Learning Juniper,
GENDTX07693717	GENDTX07693775	Operations Support Agreement between Cedro Hill Wind LLC and General Electric International Incorporated, December 3, 2009
GENDTX07693776		Marketshare data
GENDTX07693777	GENDTX07693778	Conergy PowerWind 56 Technical Data
GENDTX07693779	GENDTX07693819	Operations Support Agreement between Edison Mission Energy and General Electric International Incorporated, May 8, 2009
GENDTX07693820		Letter re: GE Yaw Brake Patent # EP945613B1, November 3, 2008
GENDTX07693821	GENDTX07693878	Operations Support Agreement between Laredo Ridge Wind, LLC and General Electric International Incorporated, July 8, 2010
GENDTX07693879	GENDTX07693880	Sales Summary for Cedro Hill Project, September 25, 2009
GENDTX07693881		Wind Turbine Sales List of MHI, January 2009
GENDTX07693882		2011 GPB Assembly Capacity.xls
GENDTX07693883		Blade Capacity 1-28-2010.xls
GENDTX07693884	GENDTX07693897	Commodity Playbook Template 4-1-2010.ppt

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General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 2

Documents Considered in Forming Opinion

Begin Bates	End Bates	Description
GENDTX07693898		SLE Blade Volume Summary 12-7-09.xls
GENDTX6899200	GENDTX6899230	2011 May DR Sales and Margin
GENDTX6899231	GENDTX6899255	TY Sales and Margin
GENDTX7326110	GENDTX7326123	GE presentation - Erection of a Windturbine
GEWT00676073	GEWT00676087	Patent Cross-License Agreement between GE Infrastructure Technology LLC, GE Infrastructure Technology International Inc., and Acciona Windpower, S.A., June 23, 2006
GEWT00737722	GEWT00737750	Wind 2006 Volume and Americas Commercial Strategy Review, July 14, 2005
IBR0000525	IBR0000526	Email re: Iberdrola/PPM Technical Clarification, February 15, 2008
IBR0000534	IBR0000535	Email re: MHI Wind Turbine Supply for 2010 Projects, February 1, 2008
IBR0000655		Email re: Confirmation and detail on FERC 661 and 661a compliance, August 14, 2008
IBR0000900	IBR0000905	Email re: Penescal Purchase Contract, December 13, 2007
IBR0000925	IBR0000954	MWT95/2.4 (60Hz, 80m hub height) Wind Turbine Generator specifications, January 16, 2008
IBR00009663	IBR00009666	2008 Turbine Sort/Allocation Mtg, August 16, 2007
IBR00009715	IBR00009816	Generator Interconnection Agreement (GIA) between Heartland Wind LLC, Northern States Power, and Midwest Independent Transmission System Operator, Inc., June 15, 2010
IBR00009826	IBR00009834	Letter re: Project G514 - Request to Change Wind Turbines, December 9, 2009
IBR00009876	IBR00009959	Standard Large Generator Interconnection Agreement between Bonneville Power Administration and Juniper Canyon Wind Power LLC
IBR00010061	IBR00010109	Interconnect Agreement between Electric Transmission Texas, LLC and Heartland Wind LLC, May 8, 2009
IBR0004407	IBR0004408	Over/Low Voltage Ride Through Capability
IBR0006901	IBR0006906	Letter re: TPO#3 and TPO#4 Change order request for deferral of delivery, January 13, 2009
MHINDTX0000003	MHINDTX0000060	MHI Engineering Sheet re: Design Approval for MWT92/2.4 (50/60Hz) Erection Manual, May 15, 2007
MHINDTX0000061	MHINDTX0000170	Ingecon Wind Converter Control Unit (CCU) User Manual
MHINDTX0000293	MHINDTX0000359	Ingecon Wind Firmware for AK9729 CCU User Manual, April 19, 2007
MHINDTX0034452	MHINDTX0035255	General Electric Company Mod-5A Wind Turbine Generator Program Design Report, August 1984
MHINDTX0063810	MHINDTX0063825	Email in a foreign language
MHINDTX0100000	MHINDTX0100032	MHI Engineering Sheet re: Design Approval for MWT92/2.4 (50/60Hz) Commissioning Manual, May 15, 2007
MHINDTX0212116	MHINDTX0212131	MPSA Technical Presentation for MWT62/1.0, MWT92/2.4 & 95/2.4, January 2007
MHINDTX0349206	MHINDTX0349519	Patent Application 10/126,999, Patent Number 6,879,055
MHINDTX0456169	MHINDTX0456232	Mitsubishi Wind Turbine presentation, February 2008
MHINDTX0606209	MHINDTX0606211	Letter re: Budget Proposal for MWT-92A Prototype Turbine, June 18, 2004
MHINDTX0716040	MHINDTX0716044	Spreadsheet with wind turbine data in a foreign language, July 20, 2006
MHINDTX0978051	MHINDTX0978060	Email re: PPM/Iberdrola 2010-2012, January 11, 2008
MHINDTX0982808	MHINDTX0982817	Email re: PPM/Penascal - PO request for special tools to MHI, February 16, 2006
MHINDTX1025726	MHINDTX1025748	Revision 1 - Technical Review of the Mitsubishi MWT/95 Wind Turbine, December 27, 2006
MHINDTX1558791	MHINDTX1558802	Mitsubishi presentation - Advanced Wind Turbine
MHINDTX2534155	MHINDTX2534226	Cranes Access Volume 8, Issue 6, October 2006
MHINDTX2721013		Mitsubishi Heavy Industries Financial Information
MHINDTX2758789	MHINDTX2758818	Email re: Technical comments to Iberdrola Renewables specification, April 14, 2008
MHINDTX3119186	MHINDTX3119188	Email re: Iberdrola/PPM Technical Clarification, February 16, 2008
MHINDTX3891972	MHINDTX3891977	National Renewable Energy Laboratory Wind Turbine Design Cost and Scaling Model, December 2006
MHINDTX3903584	MHINDTX3903591	MPSA and MHI financials in a foreign language
MHINDTX3903592	MHINDTX3903602	Quitclaim Nonexclusive License Agreement between Thomas A. Wilkins and Mitsubishi Heavy Industries, Ltd., December 18, 2009

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General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 2

Documents Considered in Forming Opinion

Begin Bates	End Bates	Description
MHINDTX3903603	MHINDTX3903647	Technology License Agreement between TPI Technology, Inc., TPI Composites, Inc., VienTek, LLC, et al., Mitsubishi Power Systems, Inc., and Mitsubishi Heavy Industries, Ltd., dated March 29, 2002
MHINDTX3920887		Trailer Cost Comparison, October 5, 2010
MHINDTX3920888	MHINDTX3920943	MPSA LA 2010 Technical Forum
MHINDTX3920944	MHINDTX3920972	Mitsubishi Wind Turbine Development Technical Forum 2009
MHINDTX3920974	MHINDTX3920983	Document in a foreign language re: cost data
MPSANDTX0000975	MPSANDTX0001344	Supply Frame Agreement between Mitsubishi Power Systems Americas, Inc. and PPM Energy, Inc., August 1, 2006
MPSANDTX0001345	MPSANDTX0001385	Turbine Purchase Order #3 between PPM Energy, Inc. and Mitsubishi Power Systems Americas, Inc., December 21, 2006
MPSANDTX0001386	MPSANDTX0001487	Turbine Purchase Order #3 between PPM Energy, Inc. and Mitsubishi Power Systems Americas, Inc., February 21, 2008
MPSANDTX0001488	MPSANDTX0001822	Supply Agreement between Mitsubishi Power Systems Americas, Inc. and Babcock & Brown Infrastructure Group US LLC, June 5, 2007
MPSANDTX0001823	MPSANDTX0002114	Supply Agreement between Mitsubishi Power Systems Americas, Inc. and Babcock & Brown Infrastructure Group US LLC, March 30, 2007
MPSANDTX0002115	MPSANDTX0002410	Supply Agreement (2010) between Mitsubishi Power Systems Americas, Inc. and Babcock & Brown Infrastructure Group US LLC,
MPSANDTX0002411	MPSANDTX0002433	Guaranty by Scottish Power Finance (US), Inc. in favor of Mitsubishi Power Systems Americas, Inc., October 23, 2006
MPSANDTX0002434	MPSANDTX0002509	Supply Agreement between Mitsubishi Power Systems Americas, Inc. and PPM Energy, Inc., October 23, 2006
MPSANDTX0002510	MPSANDTX0002585	Supply Agreement between Mitsubishi Power Systems Americas, Inc. and Edison Mission Energy, March 28, 2007
MPSANDTX0002707	MPSANDTX0002755	Mitsubishi Wind Turbine presentation
MPSANDTX0002908	MPSANDTX0002951	MPS Contract of Purchase re: PPM Flagship PJ MWT92/2.4, October 15, 2007
MPSANDTX0003040	MPSANDTX0003073	MPS Change Order re: TPO#4 - Elm Creek II, January 12, 2010
MPSANDTX0003077	MPSANDTX0003080	MPS Tech Team Work Scope
MPSANDTX0003083	MPSANDTX0003084	Letter re: Invitation for Iberdrola Wind turbine Supply for 2010-2012, November 9, 2007
MPSANDTX0003099		Letter from Iberdrola to MPSA re: invite for wind turbine supply for 2010-2012, December 18, 2007
MPSANDTX0003136	MPSANDTX0003141	Iberdrola Renovables - Framework Agreement for the Purchase of Wind Turbines in the 2010-2012 Period, December 18, 2007
MPSANDTX0003142	MPSANDTX0003212	Iberdrola Renewables Wind turbine specification, December 14, 2007
MPSANDTX0003284	MPSANDTX0003289	Main Conditions for the Framework Agreement for the Purchase of Wind Turbines in the 2010-2012 Period
MPSANDTX0003290	MPSANDTX0003305	Main Conditions for Supply Offer for 2010-2012
MPSANDTX0003796	MPSANDTX0003815	Proposal for Wind Turbine Generator Supply, January 21, 2008
MPSANDTX0008784	MPSANDTX0008785	Letter re: Iberdrola Wind Turbine Supply for 2010-2010, November 22, 2007
MPSANDTX00057943	MPSANDTX00057947	European Wind Energy Advisory - Iberernova IPO Banks on Wind, June 29, 2007
MPSANDTX0062627	MPSANDTX0062632	Email in a foreign language re: Edison Goat Mounta 2.4MW x 29???, December 20, 2007
MPSANDTX0070939	MPSANDTX0070943	Email re: MHI Meeting follow-up, July 24, 2009
MPSANDTX0075474	MPSANDTX0075566	Purchase Contract between Mitsubishi Power Systems Americas, Inc. and Penascal Wind Power LLC, July 21, 2008
MPSANDTX0077588	MPSANDTX0077683	Purchase Contract between Mitsubishi Power Systems Americas, Inc. and Iberdrola Renewables, Inc., November 20, 2009
MPSANDTX0080488	MPSANDTX0080492	Email re: Turbine data, March 20, 2009
MPSANDTX0084227	MPSANDTX0084331	MHI Master Packing List
MPSANDTX0151170	MPSANDTX0151188	Email re: Action Items meeting MHI-EME 04/27/2009, May 26, 2009
MPSANDTX0151202	MPSANDTX0151205	Email re: Action Items meeting MHI-EME 04/27/2009, May 27, 2009
MPSANDTX0171771	MPSANDTX0171775	Email re: Iberdrola's Evaluation on MWT 102/2.4MW, October 22, 2009
MPSANDTX0188727	MPSANDTX0188817	Email re: Elm Creek II - Turbine Info, December 30, 2009
MPSANDTX0191560	MPSANDTX0191563	Email in Japanese, January 17, 2010
MPSANDTX0203495	MPSANDTX0203571	Wind Energy Owner's Engineer Project Dominion Energy, Inc., April 25, 2008
MPSANDTX0204957	MPSANDTX0204962	Request for Information Mitsubishi Turbines Lompoc, CA Project, May 14, 2009

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General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 2

Documents Considered in Forming Opinion

Begin Bates	End Bates	Description
MPSANDTX0206763	MPSANDTX0206767	Email re: MHI 2.4 under voltage, September 16, 2008
MPSANDTX0206768	MPSANDTX0206770	LVRT limit curve MWT92&95/2.4 for Canadian Project, January 2008
MPSANDTX0207400	MPSANDTX0207574	Mitsubishi Power Systems Americas Financial Information
MPSANDTX0269657	MPSANDTX0269705	Settlement Agreement, Mutual Release and Amendment to Wind Turbine Generator Supply Agreement between Mitsubishi Power Systems Americas, Inc., Mitsubishi Heavy Industries, Ltd., and Edison Mission Energy, October 8, 2010
MPSANDTX0279518	MPSANDTX0279521	MPS Financials Amended Complaint for Patent Infringement Claim Construction Order Crane Requirements.xls Defendant Mitsubishi Heavy Industries, Ltd.'s Answer and Counterclaim to the Amended Complaint of General Electric Company Defendant Mitsubishi Power Systems Americas, Inc.'s Answer and Counterclaim to the Amended Complaint of General Electric Company Defendants' First Notice of Rule 30(B)(6) Deposition of Plaintiff General Electric Company Deposition of Akira Yasugi, April 13, 2011 and Exhibits Deposition of Brian Cretti, June 22, 2011 and Exhibits Deposition of Douglas Powell, December 16, 2010 and Exhibits Deposition of Gregory Wunder, July 14, 2011 and Exhibits Deposition of Guido Schumacher, July 15, 2011 and Exhibits Deposition of Harmie Toren, September 21, 2011 Deposition of Kairos Energy through Johnny Combs, May 13, 2011 and Exhibits Deposition of Koji Dobashi, April 21, 2011 and Exhibits Deposition of Masateru Komiya, March 31, 2011 and Exhibits Deposition of Masato Akado, April 14, 2011 and Exhibits Deposition of Masato Akado, April 20, 2011 and Exhibits Deposition of Mete Maltepe, July 18, 2011 and Exhibits Deposition of Randolph Peter Mann, January 24, 2011 and Exhibits Deposition of Robert Letts, September 23, 2011 Deposition of Ronald J. Brzezinski, June 23, 2011 and Exhibits Deposition of Stephen Swift, June 24, 2011 and Exhibits Deposition of Tomohiro Numajiri, April 19, 2011 and Exhibits Deposition of Tomohiro Numajiri, September 20, 2011 Deposition of Vincent Michael Schellings, October 5, 2011 Electric Reliability Counsel of Texas Operating Guide Section 3.1.4.6.1 Emerging Energy Research - Asia Pacific Wind Energy Advisory, June 25, 2007 EP 0 945 613 A2 (foreign language) General Electric Company Form 10-K for the fiscal year ended December 31, 2010 Mitsubishi Heavy Industries, Ltd. Annual Report 2010 for the year ended March 31, 2010 Mitsubishi Heavy Industries, Ltd.'s Fifth Supplemental Objections and Responses to GE's First Set of Fact Discovery Interrogatories Mitsubishi Heavy Industries, Ltd.'s First Supplemental Objections and Responses to GE's First Set of Fact Discovery Interrogatories Mitsubishi Heavy Industries, Ltd.'s Objections and Responses to GE's First Set of Fact Discovery Interrogatories Mitsubishi Heavy Industries, Ltd.'s Second Supplemental Objections and Responses to GE's First Set of Fact Discovery Interrogatories

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 2

Documents Considered in Forming Opinion

Begin Bates	End Bates	Description
		Mitsubishi Power Systems Americas, Inc.'s Fifth Supplemental Objections and Responses to GE's First Set of Fact Discovery Interrogatories
		Mitsubishi Power Systems Americas, Inc.'s Objections and Responses to GE's First Set of Fact Discovery Interrogatories
		Mitsubishi Power Systems Americas, Inc.'s Second Supplemental Objections and Responses to GE's First Set of Fact Discovery Interrogatories
		Production Volume History - Americas[1].xls
		Response of Mitsubishi Power Systems Americas, Inc. to Plaintiff's Interrogatories Regarding Indirect Infringement
		U.S. Patent No. 6,879,055
		U.S. Patent No. 7,629,705
		United State of America Federal Energy Regulatory Commission Order No. 661-A, December 12, 2005
		USA Wind Turbine Market Pricing Chart rev4.xls
		www.ge-energy.com/wind
		www.mhi.co.jp/en/power/introduction/network/index.html
		www.mhi.co.jp/en/products/category/wind_turbine_generators.html
		www.mpshq.com
		www.mpshq.com/products/index.html
		www.mpshq.com/products/wind_turbines/index.html
		www.mpshq.com/service/index.html
		www.renewableenergyworld.com/rea/news/article/2008/06/iberdrola-signs-4500-mw-wind-deal-52812
		www1.eere.energy.gov/windandhydro/wind_ad.html
		www1.eere.energy.gov/windandhydro/wind_how.html

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.**Exhibit 3****Summary of Damages - '055 and '705 Patents Infringed**

	<u>Lost Profits</u>	<u>Royalty</u>	<u>Total Damages</u>
Scenario I: Lost Profits and Royalties	\$ 219,109,458	\$ 72,060,000	\$ 291,169,458
Scenario II: Reasonable Royalty Only	\$ -	\$ 108,576,000	\$ 108,576,000

Sources:

Exhibit 3, Schedules A and B.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.**Exhibit 3
Schedule A****Scenario I: Summary of Damages - '055 and '705 Patents Infringed**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Total</u>
Lost Profits Damages	\$ -	\$ -	\$ 200,103,942	\$ 19,005,516	\$ 219,109,458
Royalty Damages	<u>13,776,000</u>	<u>11,004,000</u>	<u>42,588,000</u>	<u>4,692,000</u>	<u>72,060,000</u>
Total Damages	<u>\$ 13,776,000</u>	<u>\$ 11,004,000</u>	<u>\$ 242,691,942</u>	<u>\$ 23,697,516</u>	<u>\$ 291,169,458</u>

Sources:

Exhibit 3, Schedules A1, A3.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 3
Schedule A1

Scenario I: Calculation of GE's Lost Profits - '055 and '705 Patents Infringed

	2010		2011	
	Elm Creek II	Juniper Canyon	Taloga	Total
Sales lost to Mitsubishi in MWs	148.8	151.2	129.6	429.6
GE Wind Turbines in MW ¹	1.5	1.5	1.6	
Lost Unit Sales of Competing GE Wind Turbines	100	101	81	282
<i>Per Competing GE Wind Turbine</i>				
Price	\$ 2,289,202	\$ 2,289,202	\$ 1,720,000	
Cost	\$ 1,104,984	\$ 1,104,984	\$ 1,123,671	
Outbound Transportation	95,019	95,019	145,500	
Commissioning & Installation	45,657	45,657	174,193	
Warranty	48,000	48,000	42,000	
Total Expenses	\$ 1,293,660	\$ 1,293,660	\$ 1,485,364	
Lost Profits	\$ 995,542	\$ 995,542	\$ 234,636	
As a % of Sales	43.5%	43.5%	13.6%	
Total GE Lost Profits	\$ 99,554,200	\$ 100,549,742	\$ 19,005,516	\$ 219,109,458

Notes:

¹ GE offered to sell Iberdrola its 1.5 SLE wind turbines in its proposal for the purchase of wind turbines in the 2010-2012 period.

See GENDTX07664330 - GENDTX07664337 at GENDTX07664330.

² GE offered to sell Edison Mission Energy its 1.6 XLE wind turbines for the Taloga project.

See GENDTX07693362 - GENDTX07693366 at GENDTX07693363.

Sources:

Exhibit 3, Schedule A2.

Appendix A.

GENDTX07692799 - GENDTX07692800.

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General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 3
Schedule A2

Scenario I: Calculation of GE's Lost Sales - '055 and '705 Patents Infringed

Customer	Project	Year	MW/Unit	Units	Total MWs	Price	Price/Unit	Price/MW
Iberdrola	Elm Creek II	2010	2.4	62	148.8	\$ 271,510,625	\$ 4,379,204	\$ 1,824,668
Iberdrola	Juniper Canyon	2010	2.4	63	151.2	266,156,095	4,224,700	1,760,292
EME	Taloga	2011	2.4	54	129.6	168,759,719	3,125,180	1,302,158
Total				179	429.6	\$ 706,426,439	\$ 3,946,516	\$ 1,644,382

Sources:

Exhibit 3, Schedule A6.

Appendix B, Schedules 2 - 3.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 3
Schedule A3

Scenario I: Summary of Royalty Damages - '055 and '705 Patents Infringed

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Total</u>
Royalty - '055 Patent	\$ 13,776,000	\$ 11,004,000	\$ 40,068,000	\$ 1,932,000	\$ 66,780,000
Royalty - '705 Patent	-	-	2,520,000	2,760,000	5,280,000
Total Royalty Damages	<u>\$ 13,776,000</u>	<u>\$ 11,004,000</u>	<u>\$ 42,588,000</u>	<u>\$ 4,692,000</u>	<u>\$ 72,060,000</u>

Source:

Exhibit 3, Schedule A4.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 3
Schedule A4

Scenario I: Calculation of Royalty Damages - '055 and '705 Patents Infringed

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Total</u>
Accused Output in MWs - '055 Patent	393.6	314.4	1,144.8	55.2	1,908
Royalty Rate	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	
Royalty Damages - '055 Patent	\$ 13,776,000	\$ 11,004,000	\$ 40,068,000	\$ 1,932,000	\$ 66,780,000
Accused Output in MWs - '705 Patent	-	-	50.4	55.2	105.6
Royalty Rate	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	
Royalty Damages - '705 Patent	\$ -	\$ -	\$ 2,520,000	\$ 2,760,000	\$ 5,280,000

Source:

Exhibit 3, Schedule A5.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 3
Schedule A5

Scenario I: Calculation of Royalty Base - '055 and '705 Patents Infringed

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Total</u>
<i>'055 Patent</i>					
Mitsubishi 2.4 MW wind turbines	164	131	477	23	795
MWs per wind turbine	<u>2.4</u>	<u>2.4</u>	<u>2.4</u>	<u>2.4</u>	
Royalty Base in MWs - '055 Patent	<u>393.6</u>	<u>314.4</u>	<u>1,144.8</u>	<u>55.2</u>	<u>1,908</u>
<i>'705 Patent</i>					
Mitsubishi 2.4 MW wind turbines	-	-	21	23	44
MWs per wind turbine	<u>2.4</u>	<u>2.4</u>	<u>2.4</u>	<u>2.4</u>	
Royalty Base in MWs - '705 Patent	<u>-</u>	<u>-</u>	<u>50.4</u>	<u>55.2</u>	<u>105.6</u>

Sources:

Exhibit 3, Schedule A5.1 - A5.2.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 3
Schedule A5.1Scenario I: Summary of Mitsubishi Wind Turbines
Subject to Royalty Damages - '055 and '705 Patents Infringed

	<u>Year</u>	<u>Project</u>	<u>Units</u>
'055 Patent	2008	PPM/Penascal (TPO#1) 2.4MW	64
		B&B/Gulf Wind 2.4MW	99
		PPM/Flagship 2.4MW	1
		Edison/Goat Mountain-2 2.4MW	-
		2008 Subtotal	164
	2009	Iberdrola/Penascal (TPO#1&2) 2.4MW	20
		B&B/Gulf Wind 2.4MW	19
		Edison/Goat Mountain-2 2.4MW	29
		Iberdrola/Penascal-II (TPO#3) 2.4MW	63
		2009 Subtotal	131
	2010	PPM Frame Work (TPO#3 Penascal)	21
		Hatchet Ridge/B&B 2009 WT Farm	44
		2009 WT Farm Babcock & Brown	78
		2009 WT Farm Babcock & Brown	84
		Babcock & Brown (2010)	250
	2010 Subtotal	477	
	2011	EME Pinnacle	23
		2011 Subtotal	23
Total Mitsubishi Wind Turbines - '055 Patent			795

Source:
Exhibit 3, Schedule A6.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 3
Schedule A5.2**Scenario I: Summary of Mitsubishi Wind Turbines
Subject to Royalty Damages - '055 and '705 Patents Infringed**

	<u>Year</u>	<u>Project</u>	<u>Units</u>	
'705 Patent	2010	PPM Frame Work (TPO#3 Penascal)	21	
		2010 Subtotal	21	
	2011	EME Pinnacle	23	
		2011 Subtotal	23	
	Total Mitsubishi Wind Turbines - '705 Patent			44

Source:
Exhibit 3, Schedule A6.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 3

Schedule A6

Scenario I: Summary of Mitsubishi Wind Turbines Subject to Lost Profits and Royalty Damages

Project Name	Year	Total Units	Lost Profits Units	Royalty Units
PPM/Penalcal (TPO#1) 2.4MW	2008	64	-	64
B&B/Gulf Wind 2.4MW	2008	99	-	99
PPM/Flagship 2.4MW	2008	1	-	1
Edison/Goat Mountain-2 2.4MW	2008	-	-	-
2008 Subtotal		164	-	164
Iberdrola/Penalcal (TPO#1&2) 2.4MW	2009	20	-	20
B&B/Gulf Wind 2.4MW	2009	19	-	19
Edison/Goat Mountain-2 2.4MW	2009	29	-	29
Iberdrola/Penalcal-II (TPO#3) 2.4MW	2009	63	-	63
2009 Subtotal ¹		131	-	131
PPM Frame Work (TPO#3 Penascal)	2010	21	-	21
TPO#4 - Elm Creek II	2010	62	62	-
TPO#4 - Juniper Canyon	2010	63	63	-
Hatchet Ridge/B&B 2009 WT Farm	2010	44	-	44
2009 WT Farm Babcock & Brown	2010	78	-	78
2009 WT Farm Babcock & Brown	2010	84	-	84
Babcock & Brown (2010)	2010	250	-	250
Edison Reconciliation	2010	-	-	-
2010 Subtotal		602	125	477
Edison/Taloga 2.4MW ¹	2011	54	54	-
EME Pinnacle ²	2011	23	-	23
2011 Subtotal		77	54	23
Total		974	179	795

Notes:

¹ MPSA recognized sales relating to EME's Taloga Project in 2009 (see Appendix B, Schedule 2). Per the Settlement Agreement, Mutual Release and Amendment to Wind Turbine Generator Supply Agreement, as of October 2010, "EME intends to deploy the Taloga Turbines at a wind energy project site in Dewey County, Oklahoma." See MPSANDTX0269657 - MPSANDTX0269705. Therefore, I have assumed that this project will be completed in 2011.

² MPSA had not recognized sales relating to EME's Pinnacle Project as of the first quarter of 2011. Per the Settlement Agreement, Mutual Release and Amendment to Wind Turbine Generator Supply Agreement, as of October 2010, "EME intends to deploy twenty three (23) of the 2009 Turbines (the "Pinnacle Turbines") at a wind energy project site located in Mineral County, West Virginia (the "Pinnacle Project")." See MPSANDTX0269657 - MPSANDTX0269705. Therefore, I have assumed that this project will be completed in 2011.

Sources:

Appendix B, Schedules 1 - 4.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.**Exhibit 3
Schedule B****Scenario II: Summary of Royalty Damages - '055 and '705 Patents Infringed**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Total</u>
Royalty Damages - '055 Patent	\$ 13,776,000	\$ 11,004,000	\$ 50,568,000	\$ 6,468,000	\$ 81,816,000
Royalty Damages - '705 Patent	<u>-</u>	<u>-</u>	<u>17,520,000</u>	<u>9,240,000</u>	<u>26,760,000</u>
Total Royalty Damages	<u>\$ 13,776,000</u>	<u>\$ 11,004,000</u>	<u>\$ 68,088,000</u>	<u>\$ 15,708,000</u>	<u>\$ 108,576,000</u>

Source:

Exhibit 3, Schedule B1.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 3
Schedule B1

Scenario II: Calculation of Royalty Damages - '055 and '705 Patents Infringed

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Total</u>
Accused Output in MWs - '055 Patent	393.6	314.4	1,444.8	184.8	2,337.6
Royalty Rate	<u>\$ 35,000</u>	<u>\$ 35,000</u>	<u>\$ 35,000</u>	<u>\$ 35,000</u>	
Royalty Damages - '055 Patent	<u>\$ 13,776,000</u>	<u>\$ 11,004,000</u>	<u>\$ 50,568,000</u>	<u>\$ 6,468,000</u>	<u>\$ 81,816,000</u>
Accused Output in MWs - '705 Patent	-	-	350.4	184.8	535.2
Royalty Rate	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	
Royalty Damages - '705 Patent	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,520,000</u>	<u>\$ 9,240,000</u>	<u>\$ 26,760,000</u>

Source:

Exhibit 3, Schedule B2.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.**Exhibit 3
Schedule B2****Scenario II: Calculation of Royalty Base - '055 and '705 Patents Infringed**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Total</u>
<i>'055 Patent</i>					
Mitsubishi 2.4 MW wind turbines	164	131	602	77	974
MWs per wind turbine	<u>2.4</u>	<u>2.4</u>	<u>2.4</u>	<u>2.4</u>	
Royalty Base in MWs - '055 Patent	<u>393.6</u>	<u>314.4</u>	<u>1,444.8</u>	<u>184.8</u>	<u>2,337.6</u>
<i>'705 Patent</i>					
Mitsubishi 2.4 MW wind turbines	-	-	146	77	223
MWs per wind turbine	<u>2.4</u>	<u>2.4</u>	<u>2.4</u>	<u>2.4</u>	
Royalty Base in MWs - '705 Patent	<u>-</u>	<u>-</u>	<u>350.4</u>	<u>184.8</u>	<u>535.2</u>

Sources:

Exhibit 3, Schedule B2.1 - B2.2.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 3
Schedule B2.1Scenario II: Summary of Mitsubishi Wind Turbines
Subject to Royalty Damages - '055 and '705 Patents Infringed

	<u>Year</u>	<u>Project</u>	<u>Units</u>
'055 Patent	2008	PPM/Penascal (TPO#1) 2.4MW	64
		B&B/Gulf Wind 2.4MW	99
		PPM/Flagship 2.4MW	1
		Edison/Goat Mountain-2 2.4MW	-
		2008 Subtotal	164
	2009	Iberdrola/Penascal (TPO#1&2) 2.4MW	20
		B&B/Gulf Wind 2.4MW	19
		Edison/Goat Mountain-2 2.4MW	29
		Iberdrola/Penascal-II (TPO#3) 2.4MW	63
		2009 Subtotal ¹	131
	2010	PPM Frame Work (TPO#3 Penascal)	21
		Hatchet Ridge/B&B 2009 WT Farm	44
		2009 WT Farm Babcock & Brown	78
		2009 WT Farm Babcock & Brown	84
		TPO#4 - Elm Creek II	62
		Babcock & Brown (2010)	250
		TPO#4 - Juniper Canyon	63
		2010 Subtotal	602
	2011	Edison/Taloga 2.4MW ¹	54
		EME Pinnacle ²	23
		2011 Subtotal	77
	Total Mitsubishi Wind Turbines - '055 Patent		974

Notes:

¹ MPSA recognized sales relating to EME's Taloga Project in 2009 (see Appendix B, Schedule 2). Per the Settlement Agreement, Mutual Release and Amendment to Wind Turbine Generator Supply Agreement, as of October 2010, "EME intends to deploy the Taloga Turbines at a wind energy project site in Dewey County, Oklahoma." See MPSANDTX0269657 - MPSANDTX0269705. Therefore, I have assumed that this project will be completed in 2011.

² MPSA had not recognized sales relating to EME's Pinnacle Project as of the first quarter of 2011. Per the Settlement Agreement, Mutual Release and Amendment to Wind Turbine Generator Supply Agreement, as of October 2010, "EME intends to deploy twenty three (23) of the 2009 Turbines (the "Pinnacle Turbines") at a wind energy project site located in Mineral County, West Virginia (the "Pinnacle Project")." See MPSANDTX0269657 - MPSANDTX0269705. Therefore, I have assumed that this project will be completed in 2011.

Sources:

Appendix B, Schedules 1 - 4.

HIGHLY CONFIDENTIAL - ATTORNEYS' EYES ONLY

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General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.**Exhibit 3
Schedule B2.2****Scenario II: Summary of Mitsubishi Wind Turbines
Subject to Royalty Damages - '055 and '705 Patents Infringed**

	<u>Year</u>	<u>Project</u>	<u>Units</u>
'705 Patent	2010	PPM Frame Work (TPO#3 Penascal)	21
		TPO#4 - Elm Creek II	62
		TPO#4 - Juniper Canyon	63
		2010 Subtotal	146
	2011	Edison/Taloga 2.4MW ¹	54
		EME Pinnacle ²	23
		2011 Subtotal	77
Total Mitsubishi Wind Turbines - '705 Patent			223

Notes:

¹ MPSA recognized sales relating to EME's Taloga Project in 2009 (see Appendix B, Schedule 2). Per the Settlement Agreement, Mutual Release and Amendment to Wind Turbine Generator Supply Agreement, as of October 2010, "EME intends to deploy the Taloga Turbines at a wind energy project site in Dewey County, Oklahoma." See MPSANDTX0269657 - MPSANDTX0269705. Therefore, I have assumed that this project will be completed in 2011.

² MPSA had not recognized sales relating to EME's Pinnacle Project as of the first quarter of 2011. Per the Settlement Agreement, Mutual Release and Amendment to Wind Turbine Generator Supply Agreement, as of October 2010, "EME intends to deploy twenty three (23) of the 2009 Turbines (the "Pinnacle Turbines") at a wind energy project site located in Mineral County, West Virginia (the "Pinnacle Project")." See MPSANDTX0269657 - MPSANDTX0269705. Therefore, I have assumed that this project will be completed in 2011.

Sources:

Appendix B, Schedules 3 - 4.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 4

Summary of Damages - Only '705 Patent Infringed

	<u>Lost Profits</u>	<u>Royalty</u>	<u>Total Damages</u>
Scenario III: Lost Profits and Royalties	\$ 219,109,458	\$ 5,280,000	\$ 224,389,458
Scenario IV: Reasonable Royalty Only	\$ -	\$ 26,760,000	\$ 26,760,000

Sources:

Exhibit 4, Schedules A and B.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.**Exhibit 4
Schedule A****Scenario III: Summary of Damages - Only '705 Patent Infringed**

	<u>2010</u>	<u>2011</u>	<u>Total</u>
Lost Profits Damages	\$ 200,103,942	\$ 19,005,516	\$ 219,109,458
Royalty Damages	<u>2,520,000</u>	<u>2,760,000</u>	<u>5,280,000</u>
Total Damages	<u>\$ 202,623,942</u>	<u>\$ 21,765,516</u>	<u>\$ 224,389,458</u>

Sources:

Exhibit 4, Schedules A1, A3.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 4
Schedule A1

Scenario III: Calculation of GE's Lost Profits - Only '705 Patent Infringed

	2010		2011	
	Elm Creek II	Juniper Canyon	Taloga	Total
Sales lost to Mitsubishi in MWs	148.8	151.2	129.6	429.6
GE Wind Turbines in MW ^{1, 2}	1.5	1.5	1.6	
Lost Unit Sales of Competing GE Wind Turbines	100	101	81	282
<i>Per Competing GE Wind Turbine</i>				
Price	\$ 2,289,202	\$ 2,289,202	\$ 1,720,000	
Cost	\$ 1,104,984	\$ 1,104,984	\$ 1,123,671	
Outbound Transportation	95,019	95,019	145,500	
Commissioning & Installation	45,657	45,657	174,193	
Warranty	48,000	48,000	42,000	
Total Expenses	\$ 1,293,660	\$ 1,293,660	\$ 1,485,364	
Lost Profits	\$ 995,542	\$ 995,542	\$ 234,636	
As a % of Sales	43.5%	43.5%	13.6%	
Total GE Lost Profits	\$ 99,554,200	\$ 100,549,742	\$ 19,005,516	\$ 219,109,458

Notes:

¹ GE offered to sell Iberdrola its 1.5 SLE wind turbines in its proposal for the purchase of wind turbines in the 2010-2012 period.

See GENDTX07664330 - GENDTX07664337 at GENDTX07664330.

² GE offered to sell Edison Mission Energy its 1.6 XLE wind turbines for the Taloga project.

See GENDTX07693362 - GENDTX07693366 at GENDTX07693363.

Sources:

Exhibit 4, Schedule A2.

Appendix A.

GENDTX07692799 - GENDTX07692800.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 4
Schedule A2

Scenario III: Calculation of GE's Lost Sales - Only '705 Patent Infringed

Customer	Project	Year	MWs/Unit	Units	Total MWs	Price	Price/Unit	Price/MW
Iberdrola	Elm Creek II	2010	2.4	62	148.8	\$ 271,510,625	\$ 4,379,204	\$ 1,824,668
Iberdrola	Juniper Canyon	2010	2.4	63	151.2	266,156,095	4,224,700	1,760,292
EME	Taloga	2011	2.4	54	129.6	168,759,719	3,125,180	1,302,158
Total				179	429.6	\$ 706,426,439	\$ 3,946,516	\$ 1,644,382

Sources:

Exhibit 4, Schedule A5.

Appendix B, Schedules 2 - 3.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 4
Schedule A3

Scenario III: Calculation of Royalty Damages - Only '705 Patent Infringed

	<u>2010</u>	<u>2011</u>	<u>Total</u>
Accused Output in MWs - '705 Patent	50.4	55.2	105.6
Royalty Rate	<u>\$ 50,000</u>	<u>\$ 50,000</u>	
Royalty Damages - '705 Patent	<u>\$ 2,520,000</u>	<u>\$ 2,760,000</u>	<u>\$ 5,280,000</u>

Source:

Exhibit 4, Schedule A4.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.**Exhibit 4
Schedule A4****Scenario III: Calculation of Royalty Base - Only '705 Patent Infringed**

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<i>'705 Patent</i>			
Mitsubishi 2.4 MW wind turbines	21	23	44
MWs per wind turbine	<u>2.4</u>	<u>2.4</u>	<u> </u>
Royalty Base in MWs - '705 Patent	<u>50.4</u>	<u>55.2</u>	<u>105.6</u>

Source:

Exhibit 4, Schedule A4.1.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 4
Schedule A4.1**Scenario III: Summary of Mitsubishi Wind Turbines
Subject to Royalty Damages - Only '705 Patent Infringed**

	<u>Year</u>	<u>Project</u>	<u>Units</u>
<i>'705 Patent</i>	2010	PPM Frame Work (TPO#3 Penascal)	<u>21</u>
		2010 Subtotal	21
	2011	EME Pinnacle	<u>23</u>
		2011 Subtotal	23
Total Mitsubishi Wind Turbines - '705 Patent			<u>44</u>

Source:
Exhibit 4, Schedule A5.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.**Exhibit 4
Schedule A5****Scenario III: Summary of Mitsubishi Wind Turbines Subject to Lost Profits and Royalty Damages**

<u>Project Name</u>	<u>Year</u>	<u>Total Units</u>	<u>Lost Profits Units</u>	<u>Royalty Units</u>
PPM Frame Work (TPO#3 Penascal)	2010	21	-	21
TPO#4 - Elm Creek II	2010	62	62	-
TPO#4 - Juniper Canyon	2010	<u>63</u>	<u>63</u>	<u>-</u>
2010 Subtotal		146	125	21
Edison/Taloga 2.4MW ¹	2011	54	54	-
EME Pinnacle ²	2011	<u>23</u>	<u>-</u>	<u>23</u>
2011 Subtotal		77	54	23
Total		<u><u>223</u></u>	<u><u>179</u></u>	<u><u>44</u></u>

Notes:

¹ MPSA recognized sales relating to EME's Taloga Project in 2009 (see Appendix B, Schedule 2). Per the Settlement Agreement, Mutual Release and Amendment to Wind Turbine Generator Supply Agreement, as of October 2010, "EME intends to deploy the Taloga Turbines at a wind energy project site in Dewey County, Oklahoma." See MPSANDTX0269657 - MPSANDTX0269705. Therefore, I have assumed that this project will be completed in 2011.

² MPSA had not recognized sales relating to EME's Pinnacle Project as of the first quarter of 2011. Per the Settlement Agreement, Mutual Release and Amendment to Wind Turbine Generator Supply Agreement, as of October 2010, "EME intends to deploy twenty three (23) of the 2009 Turbines (the "Pinnacle Turbines") at a wind energy project site located in Mineral County, West Virginia (the "Pinnacle Project")." See MPSANDTX0269657 - MPSANDTX0269705. Therefore, I have assumed that this project will be completed in 2011.

Sources:

Appendix B, Schedules 3 - 4.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.**Exhibit 4
Schedule B****Scenario IV: Calculation of Royalty Damages - Only '705 Patent Infringed**

	<u>2010</u>	<u>2011</u>	<u>Total</u>
Accused Output in MWs - '705 Patent	350.4	184.8	535.2
Royalty Rate	<u>\$ 50,000</u>	<u>\$ 50,000</u>	
Royalty Damages - '705 Patent	<u>\$ 17,520,000</u>	<u>\$ 9,240,000</u>	<u>\$ 26,760,000</u>

Note:

The '705 patent issued in December 2009. I have calculated damages on Mitsubishi sales beginning in 2010.

Source:

Exhibit 4, Schedule B1.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.**Exhibit 4
Schedule B1****Scenario IV: Calculation of Royalty Base - Only '705 Patent Infringed**

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<i>'705 Patent</i>			
Mitsubishi 2.4 MW wind turbines	146	77	223
MWs per wind turbine	<u>2.4</u>	<u>2.4</u>	<u></u>
Royalty Base in MWs - '705 Patent	<u>350.4</u>	<u>184.8</u>	<u>535.2</u>

Note:

The '705 patent issued in December 2009. I have calculated damages on Mitsubishi sales beginning in 2010.

Source:

Exhibit 4, Schedule B2.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.**Exhibit 4
Schedule B2****Scenario IV: Summary of Mitsubishi Wind Turbines
Subject to Royalty Damages - Only '705 Patent Infringed**

	<u>Year</u>	<u>Project</u>	<u>Units</u>
'705 Patent	2010	PPM Frame Work (TPO#3 Penascal)	21
		TPO#4 - Elm Creek II	62
		TPO#4 - Juniper Canyon	63
		2010 Subtotal	146
	2011	Edison/Taloga 2.4MW ¹	54
		EME Pinnacle ²	23
		2011 Subtotal	77
Total Mitsubishi Wind Turbines - '705 Patent			223

Notes:

The '705 patent issued in December 2009. I have calculated damages on Mitsubishi sales beginning in 2010.

¹ MPSA recognized sales relating to EME's Taloga Project in 2009 (see Appendix B, Schedule 2). Per the Settlement Agreement, Mutual Release and Amendment to Wind Turbine Generator Supply Agreement, as of October 2010, "EME intends to deploy the Taloga Turbines at a wind energy project site in Dewey County, Oklahoma."

See MPSANDTX0269657 - MPSANDTX0269705. Therefore, I have assumed that this project will be completed in 2011.

² MPSA had not recognized sales relating to EME's Pinnacle Project as of the first quarter of 2011. Per the Settlement Agreement, Mutual Release and Amendment to Wind Turbine Generator Supply Agreement, as of October 2010, "EME intends to deploy twenty three (23) of the 2009 Turbines (the "Pinnacle Turbines") at a wind energy project site located in Mineral County, West Virginia (the "Pinnacle Project")." See MPSANDTX0269657 - MPSANDTX0269705. Therefore, I have assumed that this project will be completed in 2011.

Sources:

Appendix B, Schedules 3 - 4.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.**Exhibit 5****Scenario V: Summary of Royalty Damages - Only '055 Patent Infringed**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Total</u>
Royalty Damages - '055 Patent	<u>\$ 13,776,000</u>	<u>\$ 11,004,000</u>	<u>\$ 50,568,000</u>	<u>\$ 6,468,000</u>	<u>\$ 81,816,000</u>

Source:

Exhibit 5, Schedule A.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.**Exhibit 5
Schedule A****Scenario V: Calculation of Royalty Damages - Only '055 Patent Infringed**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Total</u>
Accused Output in MWs - '055 Patent	393.6	314.4	1,444.8	184.8	2,337.6
Royalty Rate	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	
Royalty Damages - '055 Patent	<u>\$ 13,776,000</u>	<u>\$ 11,004,000</u>	<u>\$ 50,568,000</u>	<u>\$ 6,468,000</u>	<u>\$ 81,816,000</u>

Source:

Exhibit 5, Schedule B1.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.**Exhibit 5
Schedule B1****Scenario V: Calculation of Royalty Base - Only '055 Patent Infringed**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Total</u>
Mitsubishi 2.4 MW wind turbines	164	131	602	77	974
MWs per wind turbine	<u>2.4</u>	<u>2.4</u>	<u>2.4</u>	<u>2.4</u>	
Royalty Base in MWs	<u>393.6</u>	<u>314.4</u>	<u>1,444.8</u>	<u>184.8</u>	<u>2,337.6</u>

Source:

Exhibit 5, Schedule B2.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Exhibit 5
Schedule B2Scenario V: Summary of Mitsubishi Wind Turbines
Subject to Royalty Damages - Only '055 Patent Infringed

	<u>Year</u>	<u>Project</u>	<u>Units</u>
'055 Patent	2008	PPM/Penascal (TPO#1) 2.4MW	64
		B&B/Gulf Wind 2.4MW	99
		PPM/Flagship 2.4MW	1
		Edison/Goat Mountain-2 2.4MW	-
		2008 Subtotal	164
	2009	Iberdrola/Penascal (TPO#1&2) 2.4MW	20
		B&B/Gulf Wind 2.4MW	19
		Edison/Goat Mountain-2 2.4MW	29
		Iberdrola/Penascal-II (TPO#3) 2.4MW	63
		2009 Subtotal	131
	2010	PPM Frame Work (TPO#3 Penascal)	21
		Hatchet Ridge/B&B 2009 WT Farm	44
		2009 WT Farm Babcock & Brown	78
		2009 WT Farm Babcock & Brown	84
		TPO#4 - Elm Creek II	62
		Babcock & Brown (2010)	250
		TPO#4 - Juniper Canyon	63
		2010 Subtotal	602
	2011	Edison/Taloga 2.4MW ¹	23
		EME Pinnacle ²	54
		2011 Subtotal	77
	Total Mitsubishi Wind Turbines - '055 Patent		974

Notes:

¹ MPSA recognized sales relating to EME's Taloga Project in 2009 (see Appendix B, Schedule 2). Per the Settlement Agreement, Mutual Release and Amendment to Wind Turbine Generator Supply Agreement, as of October 2010, "EME intends to deploy the Taloga Turbines at a wind energy project site in Dewey County, Oklahoma." See MPSANDTX0269657 - MPSANDTX0269705. Therefore, I have assumed that this project will be completed in 2011.

² MPSA had not recognized sales relating to EME's Pinnacle Project as of the first quarter of 2011. Per the Settlement Agreement, Mutual Release and Amendment to Wind Turbine Generator Supply Agreement, as of October 2010, "EME intends to deploy twenty three (23) of the 2009 Turbines (the "Pinnacle Turbines") at a wind energy project site located in Mineral County, West Virginia (the "Pinnacle Project")." See MPSANDTX0269657 - MPSANDTX0269705. Therefore, I have assumed that this project will be completed in 2011.

Sources:

Appendix B, Schedules 1 - 4.

HIGHLY CONFIDENTIAL - ATTORNEYS' EYES ONLY

00819

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix A

Summary of GE 1.5 SLE and 1.6 XLE Wind Turbine Sales from 2010 - Q1 2011 in the U.S.

	Units	Sales	Cost	Outbound Transportation	Commission & Installation	Warranty	Contribution Margin
<i>1.5 SLE</i>							
2010	620	\$ 1,419,305,024	\$ 685,089,802	\$ 58,911,512	\$ 28,307,210	\$ 29,760,000	\$ 617,236,500
Per Unit		\$ 2,289,202	\$ 1,104,984	\$ 95,019	\$ 45,657	\$ 48,000	\$ 995,542
Per MW		1,526,135	736,656	63,346	30,438	32,000	663,695
<i>As a % of Sales</i>							43.5%
2011	102	\$ 221,979,040	\$ 110,397,376	\$ 9,110,000	\$ 2,585,432	\$ 4,080,000	\$ 95,806,232
Per Unit		\$ 2,176,265	\$ 1,082,327	\$ 89,314	\$ 25,347	\$ 40,000	\$ 939,277
Per MW		1,450,843	721,551	59,543	16,898	26,667	626,185
<i>As a % of Sales</i>							43.2%
Total 1.5 SLE	722	\$ 1,641,284,064	\$ 795,487,178	\$ 68,021,512	\$ 30,892,642	\$ 33,840,000	\$ 713,042,732
Per Unit		\$ 2,273,247	\$ 1,101,783	\$ 94,213	\$ 42,788	\$ 46,870	\$ 987,593
Per MW		1,515,498	734,522	62,809	28,525	31,247	658,395
<i>As a % of Sales</i>							43.4%
<i>1.6 XLE</i>							
2010	706	\$ 1,644,285,699	\$ 852,718,675	\$ 86,402,450	\$ 47,523,023	\$ 33,888,000	\$ 623,753,551
Per Unit		\$ 2,329,017	\$ 1,207,817	\$ 122,383	\$ 67,313	\$ 48,000	\$ 883,504
Per MW		1,455,636	754,886	76,489	42,071	30,000	552,190
<i>As a % of Sales</i>							37.9%
2011	4	\$ 8,722,001	\$ 4,494,683	\$ 582,000	\$ 696,772	\$ 168,000	\$ 2,780,546
Per Unit		\$ 2,180,500	\$ 1,123,671	\$ 145,500	\$ 174,193	\$ 42,000	\$ 695,136
Per MW		1,362,813	702,294	90,938	108,871	26,250	434,460
<i>As a % of Sales</i>							31.9%
Total 1.6 XLE	710	\$ 1,653,007,700	\$ 857,213,358	\$ 86,984,450	\$ 48,219,795	\$ 34,056,000	\$ 626,534,097
Per Unit		\$ 2,328,180	\$ 1,207,343	\$ 122,513	\$ 67,915	\$ 47,966	\$ 882,443
Per MW		1,455,113	754,589	76,571	42,447	29,979	551,527
<i>As a % of Sales</i>							37.9%

Sources:

Appendix A, Schedules 1A - 1B.

HIGHLY CONFIDENTIAL - ATTORNEYS' EYES ONLY

00820

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix A

Summary of GE 1.5 SLE Wind Turbine Sales from 2010 - Q1 2011 in the U.S.

Schedule 1A

Year	Units	Sales	Cost	Outbound Transportation	Commission & Installation ¹	Warranty	Contribution Margin
2010 <i>As a % of Sales</i>	620	\$ 1,419,305,024	\$ 685,089,802	\$ 58,911,512	\$ 28,307,210	\$ 29,760,000	\$ 617,236,500 43.5%
2011 <i>As a % of Sales</i>	102	\$ 221,979,040	\$ 110,397,376	\$ 9,110,000	\$ 2,585,432	\$ 4,080,000	\$ 95,806,232 43.2%
Total <i>As a % of Sales</i>	722	\$ 1,641,284,064	\$ 795,487,178	\$ 68,021,512	\$ 30,892,642	\$ 33,840,000	\$ 713,042,732 43.4%
2010 Per Unit		\$ 2,289,202	\$ 1,104,984	\$ 95,019	\$ 45,657	\$ 48,000	\$ 995,542
2011 Per Unit		\$ 2,176,265	\$ 1,082,327	\$ 89,314	\$ 25,347	\$ 40,000	\$ 939,277

Note:

¹ GE incurred \$29,198,250 in commissioning and installation costs in 2010 reflecting a price adjustment for sales to Nextera. I have assumed that the price adjustment would be split evenly across all Nextera unit sales. In 2010, GE sold Nextera 32 1.5 SLE wind turbines out of a total of 491 total wind turbines. Therefore, I have deducted \$1,902,941 in additional commissioning and installation costs from revenues. $\$29,198,250 * (32/491) = \$1,902,941$.

See the deposition of Brian Cretti, dated June 22, 2011, pp. 47 - 48.

Sources:

Appendix A, Schedules 2A - 2B.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix A

Summary of GE 1.6 XLE Wind Turbine Sales from 2010 - Q1 2011 in the U.S.

Schedule 1B

Year	Units	Sales	Cost	Outbound Transportation	Commission & Installation ¹	Warranty	Contribution Margin
2010	706	\$ 1,644,285,699	\$ 852,718,675	\$ 86,402,450	\$ 47,523,023	\$ 33,888,000	\$ 623,753,551
<i>As a % of Sales</i>							<i>37.9%</i>
2011	4	\$ 8,722,001	\$ 4,494,683	\$ 582,000	\$ 696,772	\$ 168,000	\$ 2,780,546
<i>As a % of Sales</i>							<i>31.9%</i>
Total	710	\$ 1,653,007,700	\$ 857,213,358	\$ 86,984,450	\$ 48,219,795	\$ 34,056,000	\$ 626,534,097
<i>As a % of Sales</i>							<i>37.9%</i>
2010 Per Unit		\$ 2,329,017	\$ 1,207,817	\$ 122,383	\$ 67,313	\$ 48,000	\$ 883,504
2011 Per Unit		\$ 2,180,500	\$ 1,123,671	\$ 145,500	\$ 174,193	\$ 42,000	\$ 695,136

Note:

¹ GE incurred \$29,198,250 in commissioning and installation costs in 2010 reflecting a price adjustment for sales to Nextera. I have assumed that the price adjustment would be split evenly across all Nextera unit sales. In 2010, GE sold Nextera 327 1.6 XLE wind turbines out of a total of 491 total wind turbines. Therefore, I have deducted \$19,445,678 in additional commissioning and installation costs from revenues. $\$29,198,250 * (327/491) = \$19,445,678$.

See the deposition of Brian Cretti, dated June 22, 2011, pp. 47 - 48.

Sources:

Appendix A, Schedules 2A - 2B.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix A
Schedule 2A

GE Wind Turbine Sales - 2010

Project	Customer	Country / Region	Model	Units	Sales	Cost	Outbound Transportation	Commission & Installation	Warranty	Contribution Margin
<i>Americas</i>										
Crow Lake	Basin	US	1.5SLE	108	\$ 239,002,600	\$ 119,276,884	\$ 4,518,466	\$ 4,152,677	\$ 5,184,000	\$ 105,870,573
Coastal Energy	Coastal Energy	US	1.5SLE	4	9,068,000	4,421,408	590,262	400,756	192,000	3,463,574
Top of the World	Duke	US	1.5SLE	66	158,411,500	72,929,771	5,917,111	3,015,253	3,168,000	73,381,365
Kit Carson	Duke	US	1.5SLE	34	81,987,400	37,638,030	2,727,545	1,859,808	1,632,000	38,130,017
ML3	EDP/Horizon	US	1.5SLE	69	160,033,400	76,524,165	9,289,742	3,058,754	3,312,000	67,848,739
Top Crop II	EDP/Horizon	US	1.5SLE	132	305,166,200	146,076,164	15,725,729	5,460,153	6,336,000	131,568,154
Teichert Project	Energy Alchemy	US	1.5SLE	1	2,474,100	1,113,048	95,425	203,062	48,000	1,014,565
Leaning Juniper	Iberdrola	US	1.5SLE	74	164,911,380	81,668,397	6,958,751	193,818	3,552,000	72,538,414
Cedar Hills	MDU	US	1.5SLE	13	31,502,200	14,391,403	1,171,525	485,781	624,000	14,829,491
Diamond Willow	MDU	US	1.5SLE	7	16,921,800	7,750,475	754,357	287,024	336,000	7,793,944
Palm Springs	Nextera	US	1.5SLE	32	62,124,364	34,846,321	3,943,888	4,528,769	1,536,000	17,269,386
Dunlap Ranch	Pacificorp	US	1.5SLE	34	79,906,639	37,611,315	3,052,282	1,149,659	1,632,000	36,461,383
Dunlap Ranch II	Pacificorp	US	1.5SLE	40	94,007,811	44,248,606	3,590,920	1,352,540	1,920,000	42,895,745
Patu	Patu	US	1.5SLE	6	13,787,630	6,593,815	575,509	256,215	288,000	6,074,091
1.5 SLE Subtotal				620	\$ 1,419,305,024	\$ 685,089,802	\$ 58,911,512	\$ 26,404,269	\$ 29,760,000	\$ 619,139,441
<i>As a Percentage of Sales</i>										43.6%
Cedro Hills	Edison Mission	US	1.5XLE	100	\$ 257,655,899	\$ 120,294,771	\$ 9,393,043	\$ 3,421,229	\$ 4,800,000	\$ 119,746,856
Day County Wind	Nextera	US	1.5XLE	66	142,187,000	79,091,454	4,117,379	2,348,200	3,168,000	53,461,967
TPO#8	Nextera	US	1.5XLE	66	141,820,500	79,103,913	3,883,435	2,250,914	3,168,000	53,414,238
Flat Water	Third Planet	US	1.5XLE	40	98,744,675	48,278,680	3,680,000	1,855,366	1,920,000	43,010,629
Lost Creek	Wind Capital Group	US	1.5XLE	49	114,357,800	59,073,973	3,528,739	1,274,398	2,352,000	48,128,690
1.5 XLE Subtotal				321	\$ 754,765,874	\$ 385,842,791	\$ 24,602,596	\$ 11,150,107	\$ 15,408,000	\$ 317,762,380
<i>As a Percentage of Sales</i>										42.1%
Cedar Creek II	BP	US	1.6SLE	63	\$ 141,904,025	\$ 69,588,780	\$ 7,346,750	\$ 1,092,352	\$ 3,024,000	\$ 60,852,143
1.6 SLE Subtotal				63	\$ 141,904,025	\$ 69,588,780	\$ 7,346,750	\$ 1,092,352	\$ 3,024,000	\$ 60,852,143
<i>As a Percentage of Sales</i>										42.9%
North Rim	AES	US	1.6XLE	22	52,043,200	26,573,832	2,850,977	1,909,018	1,056,000	19,653,373
Laurel Mountain	AES	US	1.6XLE	61	144,911,450	73,666,636	9,076,758	6,950,761	2,928,000	52,289,295
Goshen	BP	US	1.6XLE	83	201,100,287	100,406,362	11,353,071	2,738,664	3,984,000	82,618,190
Laredo Ridge	Edison Mission	US	1.6XLE	54	141,012,900	65,182,801	8,346,627	(559,717)	2,592,000	65,451,189
Idaho Wind	Exergy	US	1.6XLE	122	288,836,600	147,441,269	18,171,019	1,451,085	5,856,000	115,917,227
TPO#1	Nextera	US	1.6XLE	66	150,919,625	79,736,024	7,537,128	2,082,214	3,168,000	58,396,259
TPO#2	Nextera	US	1.6XLE	66	150,919,625	79,697,126	10,255,834	2,332,657	3,168,000	55,466,008
TPO#3	Nextera	US	1.6XLE	66	148,584,020	79,671,394	6,902,211	2,294,809	3,168,000	56,547,606
TPO#9	Nextera	US	1.6XLE	85	182,964,000	102,602,158	5,314,313	2,866,230	4,080,000	68,101,299
Red Mesa	Nextera	US	1.6XLE	5	12,120,125	5,985,947	346,350	282,682	240,000	5,265,146
Elk City	Nextera	US	1.6XLE	18	41,142,517	21,759,663	1,351,727	726,000	864,000	16,441,127
TPO 7 Storage	Nextera	US	1.6XLE	21	40,698,000	25,286,459	1,414,615	1,503,748	1,008,000	11,485,178
Frey Farms	PPL Renewables	US	1.6XLE	2	5,080,100	2,421,967	390,962	206,278	96,000	1,964,893
Lorraine II	Third Planet	US	1.6XLE	35	83,953,250	42,287,037	3,090,858	3,292,916	1,680,000	33,602,439
1.6 XLE Subtotal				706	\$ 1,644,285,699	\$ 852,718,675	\$ 86,402,450	\$ 28,077,345	\$ 33,888,000	\$ 643,199,229
<i>As a Percentage of Sales</i>										39.1%
GE Wind Turbine Subtotal				1,710	\$ 3,960,260,622	\$ 1,993,240,048	\$ 177,263,308	\$ 66,724,073	\$ 82,080,000	\$ 1,640,953,193
GE Wind Turbine Per Unit					\$ 2,315,942	\$ 1,165,637	\$ 103,663	\$ 39,020	\$ 48,000	\$ 959,622
<i>As a Percentage of Sales</i>										41.4%
Price Adjustment	Nextera			-	\$ -	\$ -	\$ -	\$ 29,198,250	\$ -	\$ (29,198,250)
Other - LDs (Below the Line)				-	-	-	-	-	-	-
Other - OB Transportation (Below the Line)				-	-	-	618,000	-	-	(618,000)
PI adjustment				-	-	(5,586,000)	-	-	-	5,586,000
Commissioning Deferral				-	(6,324,000)	-	-	(6,324,000)	-	-
Functional Cost				-	-	-	-	-	-	(7,313,762)
Closeouts				-	-	-	(7,200,000)	(7,900,000)	-	15,100,000
Management Reserve Adj				-	-	-	-	(3,400,000)	-	3,400,000
Prior Qtr True ups/ECOs				-	19,996,526	954,514	3,850,674	2,580,580	-	12,610,758
Startup Costs (BRZPRO)		Latin America		-	-	-	-	(4,524,772)	-	4,524,772
Total				1,710	\$ 3,973,933,148	\$ 1,988,608,562	\$ 174,531,982	\$ 83,667,893	\$ 82,080,000	\$ 1,645,044,711
<i>As a Percentage of Sales</i>										41.4%

Source:

GENDTX6899232 - GENDTX6899255.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix A
Schedule 2B

GE Wind Turbine Sales - Q1 2011

Project	Customer	Country	Model	Units	Sales	Cost	Outbound Transportation	Commission & Installation	Warranty	Contribution Margin
<i>Americas</i>										
BRSA	Conti Construction	US	1.5 SLE	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Massachusetts Military Res II	Environmental Chemical Corp	US	1.5 SLE	-	-	-	-	-	-	-
Heron Lake	enXco	US	1.5 SLE	56	121,039,100	61,514,768	4,648,000	1,419,453	2,240,000	51,216,879
Lakefield	enXco	US	1.5 SLE	46	100,939,940	48,882,608	4,462,000	1,165,979	1,840,000	44,589,353
Merricourt	enXco	US	1.5 SLE	-	-	-	-	-	-	-
Manzana	Iberdrola	US	1.5 SLE	-	-	-	-	-	-	-
1.5 SLE Subtotal				102	\$ 221,979,040	\$ 110,397,376	\$ 9,110,000	\$ 2,585,432	\$ 4,080,000	\$ 95,806,232
<i>As a Percentage of Sales</i>										43.2%
North Rim	AES	US	1.5 XLE	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maxwell	AIM	US	1.5 XLE	-	-	-	-	-	-	-
Golden Hills	BP	US	1.5 XLE	-	-	-	-	-	-	-
TBD	EME	US	1.5 XLE	-	-	-	-	-	-	-
Pioneer Trail	EON	US	1.5 XLE	-	-	-	-	-	-	-
Settler's Trail	Eon	US	1.5 XLE	39	73,084,830	45,207,368	2,808,000	1,550,461	3,900,000	19,619,001
Petersburg	Third Planet	US	1.5 XLE	25	62,002,625	28,787,190	2,050,000	639,990	1,000,000	29,525,445
1.5 XLE Subtotal				64	\$ 135,087,455	\$ 73,994,558	\$ 4,858,000	\$ 2,190,451	\$ 4,900,000	\$ 49,144,446
<i>As a Percentage of Sales</i>										36.4%
Bishop Hill	Invenergy	US	1.6 XLE	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bishop Hill	Invenergy	US	1.6 XLE	-	-	-	-	-	-	-
Bishop Hill II	Invenergy	US	1.6 XLE	-	-	-	-	-	-	-
Gratiot	Invenergy	US	1.6 XLE	-	-	-	-	-	-	-
Harden	Invenergy	US	1.6 XLE	-	-	-	-	-	-	-
Ipswich	Ipswich Municipal	US	1.6 XLE	1	2,443,115	1,103,382	267,000	154,842	40,000	877,891
Palm Springs	Nextera	US	1.6 XLE	1	2,402,886	1,086,824	129,000	(120,879)	48,000	1,259,941
TBD	Nextera	US	1.6 XLE	-	-	-	-	-	-	-
TBD	Nextera	US	1.6 XLE	-	-	-	-	-	-	-
TBD	Nextera	US	1.6 XLE	-	-	-	-	-	-	-
TPO 7	Nextera	US	1.6 XLE	2	3,876,000	2,304,477	186,000	662,809	80,000	642,714
Sawtooth	Power Works	US	1.6 XLE	-	-	-	-	-	-	-
High Prairie	Wind Capital Group	US	1.6 XLE	-	-	-	-	-	-	-
Windwalkers / Roeder Family Farm	Wind Partners LLC	US	1.6 XLE	-	-	-	-	-	-	-
1.6 XLE Subtotal				4	\$ 8,722,001	\$ 4,494,683	\$ 582,000	\$ 696,772	\$ 168,000	\$ 2,780,546
<i>As a Percentage of Sales</i>										31.9%
Horseshoe Bend	Caithness	US	2.75 XL	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
North Hurlburt	Caithness	US	2.75 XL	-	-	-	-	-	-	-
South Hurlburt	Caithness	US	2.75 XL	-	-	-	-	-	-	-
North Sky River	Nextera	US	2.75 XL	-	-	-	-	-	-	-
2.75 Subtotal				-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>As a Percentage of Sales</i>										0.0%
GE Wind Turbine Subtotal				170	\$ 365,788,496	\$ 188,886,617	\$ 14,550,000	\$ 5,472,655	\$ 9,148,000	\$ 147,731,224
GE Wind Turbine Per Unit					\$ 2,151,697	\$ 1,111,098	\$ 85,588	\$ 32,192	\$ 53,812	\$ 869,007
<i>As a Percentage of Sales</i>										40.4%
White Oak commissioning	Invenergy			-	\$ 2,067,225	\$ -	\$ 8,100	\$ 544,359	\$ 80,000	\$ 1,434,766
	Other - LDs (Below the Line)			-	-	-	-	-	-	-
LEC Charges	Other - OB Transportation (Below the Line)			-	-	-	128,000	-	-	(128,000)
	Lagging Aux BOM Charges			-	-	-	-	-	-	-
Leaning Juniper Credit	Iberdrola			-	9,736,920	-	-	-	-	9,736,920
	Pine Tree Extended Warranty			-	2,000,000	-	-	-	-	2,000,000
	Commissioning Deferral			-	3,980,000	-	-	3,980,000	-	-
	Functional Cost			-	-	-	-	3,484,325	-	(3,484,325)
	Closets			-	-	-	(1,402,421)	(50,266)	-	1,452,687
	Incremental Ocean			-	-	-	216,000	-	-	(216,000)
	Prior Qtr True ups/ECOs			-	1,589,794	668,098	3,158,138	6,445,403	-	(8,681,845)
	LA new markets costs			-	-	-	-	25,480	-	(25,480)
	Interest Income			-	-	-	-	(4,239,190)	-	4,239,190
	MH ICP elim			-	-	-	-	-	-	-
Total				170	\$ 385,162,435	\$ 189,554,715	\$ 16,657,817	\$ 15,662,766	\$ 9,228,000	\$ 154,059,137
<i>As a Percentage of Sales</i>										40.0%
Grand Total 2010 - Q1 2011 Wind Turbines				1,880	\$ 4,326,049,118	\$ 2,182,126,665	\$ 191,813,308	\$ 72,196,728	\$ 91,228,000	\$ 1,788,684,417
Per Unit 2010 - Q1 2011 Wind Turbines					\$ 2,301,090	\$ 1,160,706	\$ 102,028	\$ 38,403	\$ 48,526	\$ 951,428
<i>As a Percentage of Sales</i>										41.3%

Sources:GENDTX6899201 - GENDTX6899230.
Appendix A, Schedule 2A.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix B

Summary of Mitsubishi Power Systems Americas 2.4 MW Wind Turbine Sales for 2008 - Q1 2011

	Units	Revenue	Total			Margin %	Per Unit			Per MW		
			Cost	P & L			Price	Cost	P & L	Price	Cost	P & L
2008	164	\$ 535,870,098	\$ 516,637,709	\$ 19,232,389	3.6%		\$ 3,267,501	\$ 3,150,230	\$ 117,271	\$ 1,361,459	\$ 1,312,596	\$ 48,863
2009	185	621,532,858	586,549,174	34,983,684	5.6%		3,359,637	3,170,536	189,101	1,399,849	1,321,057	78,792
2010 Non-Settlement	146	623,629,692	574,275,084	49,354,608	7.9%		4,271,436	3,933,391	338,045	1,779,765	1,638,913	140,852
2010 Settlement	456	232,117,604	147,801,642	84,315,962	36.3%		509,030	324,126	184,904			
2011	-	-	-	-	0.0%		-	-	-	-	-	-
Total	951	\$ 2,013,150,252	\$ 1,825,263,609	\$ 187,886,643	9.3%		\$ 2,116,877	\$ 1,919,310	\$ 197,567	\$ 882,032	\$ 799,713	\$ 82,320
Total Excluding Settlement	495	\$ 1,781,032,648	\$ 1,677,461,967	\$ 103,570,681	5.8%		\$ 3,598,046	\$ 3,388,812	\$ 209,234	\$ 1,499,186	\$ 1,412,005	\$ 87,181

Sources:

Appendix B, Schedules 1 - 4.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix B
Schedule 1

Mitsubishi Power Systems Americas 2.4 MW Wind Turbine Sales for 2008

Order	Project Name	Total					Per MW				
		Units	Revenue	Cost	P & L	Margin %	Price	Cost	P & L	Margin %	
2A3027	PPM/Penascal (TPO#1) 2.4MW	64	\$ 216,985,418	\$ 207,577,667	\$ 9,407,751	4.3%	\$ 1,412,665	\$ 1,351,417	\$ 61,248	4.3%	
2A3028	B&B/Gulf Wind 2.4MW	99	315,639,453	304,623,745	11,015,708	3.5%	1,328,449	1,282,087	46,362	3.5%	
2A3029	PPM/Flagship 2.4MW	1	3,245,227	3,385,003	(139,776)	-4.3%	1,352,178	1,410,418	(58,240)	-4.3%	
2A3032	Edison/Goat Mountain-2 2.4MW	-	-	1,051,294	(1,051,294)	0.0%	-	438,039	(438,039)	0.0%	
2.4 MW Subtotal		164	\$ 535,870,098	\$ 516,637,709	\$ 19,232,389	3.6%	\$ 1,361,459	\$ 1,312,596	\$ 48,863	3.6%	
Construction Misc.			\$ -	\$ (846)	\$ 846	0.0%					
Others			-	(978,602)	978,602	0.0%					
Maintenance			29,207,930	21,283,620	7,924,310	27.1%					
Spare Parts etc.			7,496,163	6,421,947	1,074,216	14.3%					
Additional Cost			774,067	247,787	526,280	68.0%					
Subtotal			\$ 37,478,160	\$ 26,973,906	\$ 10,504,254	28.0%					
W/T Dept Cost			\$ -	\$ 11,914,582	\$ (11,914,582)	0.0%					
LA General Charge Allocation			-	6,104,148	(6,104,148)	0.0%					
Interest			-	(829,000)	829,000	0.0%					
H/Q Charge Allocation			-	13,577,000	(13,577,000)	0.0%					
Subtotal			\$ -	\$ 30,766,730	\$ (30,766,730)	0.0%					
Total		164	\$ 573,348,258	\$ 574,378,345	\$ (1,030,087)	-0.2%					

Source:

Exhibit 2 to the deposition of Gregory Wunder, dated July 14, 2011.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix B
Schedule 2

Mitsubishi Power Systems Americas 2.4 MW Wind Turbine Sales for 2009

Order	Project Name	Total					Per MW			
		Units	Revenue	Cost	P & L	Margin %	Price	Cost	P & L	Margin %
2A3027	Iberdrola/Penascal (TPO#1&2) 2.4MW	20	\$ 65,225,146	\$ 65,362,318	\$ (137,172)	-0.2%	\$ 1,358,857	\$ 1,361,715	\$ (2,858)	-0.2%
2A3028	B&B/Gulf Wind 2.4MW	19	70,292,950	60,919,852	9,373,098	13.3%	1,541,512	1,335,962	205,550	13.3%
2A3032	Edison/Goat Mountain-2 2.4MW	29	96,284,174	89,609,930	6,674,244	6.9%	1,383,393	1,287,499	95,894	6.9%
2A3033	Iberdrola/Penascal-II (TPO#3) 2.4MW	63	220,970,869	212,090,495	8,880,374	4.0%	1,461,448	1,402,715	58,733	4.0%
2A3044	Edison/Taloga 2.4MW	54	168,759,719	158,566,579	10,193,140	6.0%	1,302,158	1,223,508	78,651	6.0%
2.4 MW Subtotal		185	\$ 621,532,858	\$ 586,549,174	\$ 34,983,684	5.6%	\$ 1,399,849	\$ 1,321,057	\$ 78,792	5.6%
Construction Misc.			\$ 18,600	\$ 15,904	\$ 2,696	14.5%				
Others			1,685,137	19,611,224	(17,926,087)	-1063.8%				
Hurricane Ike			-	(5,678,438)	5,678,438	0.0%				
Additional Reserve for Wrinkle Blade			-	954,199	(954,199)	0.0%				
Adjustment			-	(57)	57	0.0%				
Maintenance			42,856,747	38,392,157	4,464,590	10.4%				
Spare Parts etc.			6,017,849	4,681,320	1,336,529	22.2%				
Additional Cost			1,799,000	(2,903,580)	4,702,580	261.4%				
Subtotal			\$ 52,377,333	\$ 55,072,729	\$ (2,695,396)	-5.1%				
W/T Dept Cost			\$ -	\$ 20,132,167	\$ (20,132,167)	0.0%				
LA General Charge Allocation			-	10,511,724	(10,511,724)	0.0%				
Interest			-	461,085	(461,085)	0.0%				
H/Q Charge Allocation			-	11,095,927	(11,095,927)	0.0%				
Subtotal			\$ -	\$ 42,200,903	\$ (42,200,903)	0.0%				
Total		185	\$ 673,910,191	\$ 683,822,806	\$ (9,912,615)	-1.5%				

Source:

Exhibit 2 to the deposition of Gregory Wunder, dated July 14, 2011.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix B
Schedule 3

Mitsubishi Power Systems Americas 2.4 MW Wind Turbine Sales for 2010

Order	Project Name	Total				Margin %	Per MW			
		Units	Revenue	Cost	P & L		Price	Cost	P & L	Margin %
2A3033	PPM Frame Work (TPO#3 Penascal)	21	\$ 85,962,972	\$ 69,175,237	\$ 16,787,735	19.5%	\$ 1,705,615	\$ 1,372,525	\$ 333,090	19.5%
2A3041	TPO#4 - Elm Creek II	62	271,510,625	254,845,629	16,664,996	6.1%	1,824,668	1,712,672	111,996	6.1%
2A3046	TPO#4 - Juniper Canyon	63	266,156,095	250,254,218	15,901,877	6.0%	1,760,292	1,655,120	105,171	6.0%
	2.4 MW Non-Settlement Subtotal	146	\$ 623,629,692	\$ 574,275,084	\$ 49,354,608	7.9%	\$ 1,779,765	\$ 1,638,913	\$ 140,852	7.9%
2A3037 *	Hatchet Ridge/B&B 2009 WT Farm	44	\$ 12,852,310	\$ 8,143,583	\$ 4,708,727	36.6%				
2A3039 *	2009 WT Farm Babcock & Brown	78	24,916,737	16,570,122	8,346,615	33.5%				
2A3040 *	2009 WT Farm Babcock & Brown	84	26,504,123	16,611,398	9,892,725	37.3%				
2A3042 *	Babcock & Brown (2010)	250	147,844,434	93,476,539	54,367,895	36.8%				
2A3049 *	Edison Reconciliation	-	20,000,000	13,000,000	7,000,000	35.0%				
	2.4 MW Settlement Subtotal	456	\$ 232,117,604	\$ 147,801,642	\$ 84,315,962	36.3%				
	Total Wind Turbines	602	\$ 855,747,296	\$ 722,076,726	\$ 133,670,570	15.6%				
	Loss due to Market Decline (Tower)		\$ -	\$ 51,436,961	\$ (51,436,961)	0.0%				
	Loss due to Market Decline (Blade)		-	33,117,312	(33,117,312)	0.0%				
	Others		5,465,871	4,322,075	1,143,796	20.9%				
	Maintenance		56,694,663	40,194,099	16,500,564	29.1%				
	Spare Parts etc.		6,826,294	6,404,959	421,335	6.2%				
	Additional Cost		319,000	394,000	(75,000)	-23.5%				
	Subtotal		\$ 69,305,828	\$ 135,869,406	\$ (66,563,578)	-96.0%				
	W/T Dept Cost		\$ -	\$ 41,132,000	\$ (41,132,000)	0.0%				
	Interest		-	(1,121,000)	1,121,000	0.0%				
	H/Q Charge Allocation		-	14,063,000	(14,063,000)	0.0%				
	Subtotal		\$ -	\$ 54,074,000	\$ (54,074,000)	0.0%				
Total		602	\$ 925,053,124	\$ 912,020,132	\$ 13,032,992	1.4%				

Note:

Orders with an asterisk are related to cancellations of projects and the settlement amounts associated with the cancellations. See the deposition of Gregory Wunder, dated July 14, 2011, pp. 50 - 51.

Source:

Exhibit 2 to the deposition of Gregory Wunder, dated July 14, 2011.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix B

Schedule 4

Mitsubishi Power Systems Americas 2.4 MW Wind Turbine Sales for Q1 2011

Order	Project Name	Total				Per MW				
		Units	Revenue	Cost	P & L	Margin %	Price	Cost	P & L	Margin %
	2.4 MW Subtotal	-	-	-	-	0.0%	-	-	-	0.0%
	Wind Turbine Subtotal	-	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%
	Others		\$ 4,072,976	\$ 1,377,077	\$ 2,695,899	66.2%				
	Maintenance		14,804,317	12,094,688	2,709,629	18.3%				
	Spare Parts etc.		961,428	544,840	416,588	43.3%				
	Additional Cost		796,000	167,000	629,000	79.0%				
	Subtotal		\$ 20,634,721	\$ 14,183,605	\$ 6,451,116	31.3%				
	W/T Dept Cost		\$ -	\$ 6,698,000	\$ (6,698,000)	0.0%				
	Interest		-	(248,000)	248,000	0.0%				
	H/Q Charge Allocation		-	66,000	(66,000)	0.0%				
	Subtotal		\$ -	\$ 6,516,000	\$ (6,516,000)	0.0%				
Total		-	\$ 20,634,721	\$ 20,699,605	\$ (64,884)	-0.3%				

Source:

Exhibit 2 to the deposition of Gregory Wunder, dated July 14, 2011.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix B
Schedule 5

Summary of MPSA Maintenance and Services Attributable to Mitsubishi 2.4 MW Wind Turbine

	2009			2010			2011			Total		
	Revenue	Cost	P&L	Revenue	Cost	P&L	Revenue	Cost	P&L	Revenue	Cost	P&L
Maintenance	\$ 5,355,579	\$ 7,941,372	\$ (2,585,793)	\$ 15,594,219	\$ 10,874,885	\$ 4,719,334	\$ -	\$ -	\$ -	\$ 20,949,798	\$ 18,816,257	\$ 2,133,541
Technical Advisor ¹	-	-	-	5,103,855	5,727,974	(624,119)	4,072,976	1,377,077	2,695,899	9,176,831	7,105,051	2,071,780
Total	\$ 5,355,579	\$ 7,941,372	\$ (2,585,793)	\$ 20,698,074	\$ 16,602,859	\$ 4,095,215	\$ 4,072,976	\$ 1,377,077	\$ 2,695,899	\$ 30,126,629	\$ 25,921,308	\$ 4,205,321
<i>As a % of Revenue</i>			<i>-48.3%</i>			<i>19.8%</i>			<i>66.2%</i>			<i>14.0%</i>

Note:¹ See the deposition of Gregory Wunder, dated July 14, 2011, pp. 39, 52 - 53.Source:

Exhibit 2 to the deposition of Gregory Wunder, dated July 14, 2011.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix C
Schedule 1

Summary of MHI Wind Turbine Sales (in U.S. Dollars)

Year	Quarter	Project	Model	Output	Yen/Dollar	Units	Turnover	M/C	Gross Profit ¹	T/C ²	Operating Profit
2007	3	PPM Flagship	MWT92	2.4 MW	¥ 117.7505	1	\$ 2,106,148	\$ 3,184,700	\$ (1,078,552)	\$ 3,252,640	\$ (1,146,492)
FY 2007 Total						1	\$ 2,106,148	\$ 3,184,700	\$ (1,078,552)	\$ 3,252,640	\$ (1,146,492)
FY 2007 Per Unit							\$ 2,106,148	\$ 3,184,700	\$ (1,078,552)	\$ 3,252,640	\$ (1,146,492)
FY 2007 Per MW							877,562	1,326,958	(449,397)	1,355,267	(477,705)
<i>As a % of Sales</i>									-51.2%		-54.4%
2008	1	PPM TPO#1 (22/42)	MWT92	2.4 MW	¥ 120.7981	22	\$ 38,792,001	\$ 35,621,421	\$ 3,170,580	\$ 37,219,129	\$ 1,572,872
2008	2	PPM TPO#1 (20/42)	MWT92	2.4 MW	117.7306	20	36,184,306	34,358,102	1,826,204	35,827,559	356,747
2008	3	PPM TPO#2 (8+34 / 42)	MWT92	2.4 MW	113.1293	42	79,342,840	76,505,379	2,837,461	79,988,119	(645,279)
2008	3	Edison/Goat Mountain 2	MWT95	2.4 MW	113.1293	29	58,260,769	54,221,143	4,039,626	56,687,348	1,573,421
2008	4	Edison/ Taloga Wind Project	MWT95	2.4 MW	105.2014	54	119,209,440	105,416,848	13,792,592	107,935,826	11,273,614
2008	1	BB Gulf (1/118)	MWT95	2.4 MW	120.7981	1	1,796,386	1,705,325	91,061	1,779,829	16,557
2008	2	BB Gulf (37/118)	MWT95	2.4 MW	117.7306	37	68,291,506	66,584,219	1,707,287	69,446,686	(1,155,180)
2008	3	BB Gulf (80/118)	MWT95	2.4 MW	113.1293	80	153,629,519	149,775,522	3,853,997	156,581,893	(2,952,374)
FY 2008 Total						285	\$ 555,506,767	\$ 524,187,959	\$ 31,318,808	\$ 545,466,389	\$ 10,040,378
FY 2008 Per Unit							\$ 1,949,147	\$ 1,839,256	\$ 109,891	\$ 1,913,917	\$ 35,229
FY 2008 Per MW							812,145	766,357	45,788	797,465	14,679
<i>As a % of Sales</i>									5.6%		1.8%
2009		Iberdrola TPO#3 ³		2.4 MW	¥ 100.4866	84	\$ 184,741,050	\$ 178,859,669	\$ 5,881,381	\$ 182,571,607	\$ 2,169,443
2009	3	Iberdrola Elm-Creek 2	MWT95	2.4 MW	96.0688	62	166,401,579	145,999,534	20,402,045	154,191,579	12,210,000
2009	3	Iberdrola Juniper Canyon	MWT95	2.4 MW	96.0688	63	169,087,154	146,905,135	22,182,019	155,097,180	13,989,974
FY 2009 Total						209	\$ 520,229,783	\$ 471,764,338	\$ 48,465,445	\$ 491,860,366	\$ 28,369,417
FY 2009 Per Unit							\$ 2,489,138	\$ 2,257,246	\$ 231,892	\$ 2,353,399	\$ 135,739
FY 2009 Per MW							1,037,141	940,519	96,622	980,583	56,558
<i>As a % of Sales</i>									9.3%		5.5%
Grand Total						495	\$ 1,077,842,698	\$ 999,136,997	\$ 78,705,701	\$ 1,040,579,395	\$ 37,263,303
Grand Total Per Unit							\$ 2,177,460	\$ 2,018,459	\$ 159,001	\$ 2,102,181	\$ 75,279
Grand Total Per MW							907,275	841,025	66,250	875,909	31,366
<i>As a % of Sales</i>									7.3%		3.5%

Notes:

Per its Annual Report, MHI's fiscal year ends March 31.

¹ Gross Profit = Turnover - M/C.² Total Cost = Turnover - Operating Profit.³ The "Sales period" for TPO #3 is listed as 2009, but the quarter is not provided. I have used the average exchange rate for fiscal year 2009 (April 2008 - March 2009).

Sources:

Appendix C, Schedules 2 - 3.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix C
Schedule 2

Summary of MHI Wind Turbine Sales (in Japanese Yen)

Year	Quarter	Project	Model	Output	Units	Turnover	M/C	Gross Profit ¹	T/C ²	Operating Profit
2007	3	PPM Flagship	MWT92	2.4 MW	1	¥ 248,000,000	¥ 375,000,000	-¥ 127,000,000	¥ 383,000,000	-¥ 135,000,000
FY 2007 Total					1	¥ 248,000,000	¥ 375,000,000	-¥ 127,000,000	¥ 383,000,000	-¥ 135,000,000
2008	1	PPM TPO#1 (22/42)	MWT92	2.4 MW	22	¥ 4,686,000,000	¥ 4,303,000,000	¥ 383,000,000	¥ 4,496,000,000	¥ 190,000,000
2008	2	PPM TPO#1 (20/42)	MWT92	2.4 MW	20	4,260,000,000	4,045,000,000	215,000,000	4,218,000,000	42,000,000
2008	3	PPM TPO#2 (8+34 / 42)	MWT92	2.4 MW	42	8,976,000,000	8,655,000,000	321,000,000	9,049,000,000	(73,000,000)
2008	3	Edison/Goat Mountain 2	MWT95	2.4 MW	29	6,591,000,000	6,134,000,000	457,000,000	6,413,000,000	178,000,000
2008	4	Edison/ Taloga Wind Project	MWT95	2.4 MW	54	12,541,000,000	11,090,000,000	1,451,000,000	11,355,000,000	1,186,000,000
2008	1	BB Gulf (1/118)	MWT95	2.4 MW	1	217,000,000	206,000,000	11,000,000	215,000,000	2,000,000
2008	2	BB Gulf (37/118)	MWT95	2.4 MW	37	8,040,000,000	7,839,000,000	201,000,000	8,176,000,000	(136,000,000)
2008	3	BB Gulf (80/118)	MWT95	2.4 MW	80	17,380,000,000	16,944,000,000	436,000,000	17,714,000,000	(334,000,000)
FY 2008 Total					285	¥ 62,691,000,000	¥ 59,216,000,000	¥ 3,475,000,000	¥ 61,636,000,000	¥ 1,055,000,000
2009		Iberdrola TPO#3 ³		2.4 MW	84	¥ 18,564,000,000	¥ 17,973,000,000	¥ 591,000,000	¥ 18,346,000,000	¥ 218,000,000
2009	3	Iberdrola Elm-Creek 2	MWT95	2.4 MW	62	15,986,000,000	14,026,000,000	1,960,000,000	14,813,000,000	1,173,000,000
2009	3	Iberdrola Juniper Canyon	MWT95	2.4 MW	63	16,244,000,000	14,113,000,000	2,131,000,000	14,900,000,000	1,344,000,000
FY 2009 Total					209	¥ 50,794,000,000	¥ 46,112,000,000	¥ 4,682,000,000	¥ 48,059,000,000	¥ 2,735,000,000
Total					495	¥ 113,733,000,000	¥ 105,703,000,000	¥ 8,030,000,000	¥ 110,078,000,000	¥ 3,655,000,000

Notes:

Per its Annual Report, MHI's fiscal year ends March 31.

¹ Gross Profit = Turnover - M/C.² Total Cost = Turnover - Operating Profit.³ TPO#3 is not included on MHINDTX2721013, but is included on MHINDTX3903584. The "Sales period" for TPO #3 is listed as 2009, but the quarter is not provided.Sources:

MHINDTX2721013.

MHINDTX3903584.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix C

Summary of Japanese Yen per U.S. Dollar

Schedule 3

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
January	¥ 115.4765	¥ 120.4471	¥ 107.8181	¥ 90.1205	¥ 91.1011	¥ 82.6250
February	117.8605	120.5047	107.0300	92.9158	90.1395	82.5368
March	117.2778	117.2600	100.7562	97.8550	90.7161	81.6470
Quarterly Average	¥ 116.8716	¥ 119.4039	¥ 105.2014	¥ 93.6304	¥ 90.6522	¥ 82.2696
April	¥ 117.0695	¥ 118.9324	¥ 102.6777	¥ 98.9200	¥ 93.4527	¥ 83.1771
May	111.7305	120.7732	104.3595	96.6445	91.9730	81.1257
June	114.6250	122.6886	106.9152	96.6145	90.8059	80.4259
Quarterly Average	¥ 114.4750	¥ 120.7981	¥ 104.6508	¥ 97.3930	¥ 92.0772	¥ 81.5762
July	¥ 115.7670	¥ 121.4148	¥ 106.8518	¥ 94.3670	¥ 87.5005	¥ 79.2425
August	115.9243	116.7335	109.3624	94.8971	85.3727	76.9657
September	117.2145	115.0435	106.5748	91.2748	84.3571	76.8100
Quarterly Average	¥ 116.3019	¥ 117.7306	¥ 107.5963	¥ 93.5130	¥ 85.7434	¥ 77.6727
October	¥ 118.6090	¥ 115.8661	¥ 99.9659	¥ 90.3671	¥ 81.7285	
November	117.3205	111.0729	96.9656	89.2674	82.5180	
December	117.3220	112.4490	91.2750	89.9509	83.3376	
Quarterly Average	¥ 117.7505	¥ 113.1293	¥ 96.0688	¥ 89.8618	¥ 82.5280	

Source:

<http://research.stlouisfed.org/fred2/data/EXJPUS.txt>.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix D

Calculation of Mitsubishi Profitability

	MPSA			MHI			Total Mitsubishi	
	Units	Revenue	Gross Margin	Units	Revenue	Gross Margin	Gross Margin	% of MPSA Revenue
Iberdrola/Penascal-II (TPO#3) 2.4MW	63	\$ 220,970,869	\$ 8,880,374					
PPM Frame Work (TPO#3 Penascal)	21	85,962,972	16,787,735					
TPO#3 Subtotal	84	\$ 306,933,841	\$ 25,668,109	84	\$ 184,741,050	\$ 5,881,381	\$ 31,549,490	10.3%
TPO#4 - Elm Creek II	62	\$ 271,510,625	\$ 16,664,996	62	\$ 166,401,579	\$ 20,402,045	\$ 37,067,041	13.7%
TPO#4 - Juniper Canyon	63	266,156,095	15,901,877	63	169,087,154	22,182,019	38,083,896	14.3%
TPO#4 Subtotal	125	\$ 537,666,720	\$ 32,566,873	125	\$ 335,488,733	\$ 42,584,064	\$ 75,150,937	14.0%
Total	209	\$ 844,600,561	\$ 58,234,982	209	\$ 520,229,783	\$ 48,465,445	\$ 106,700,427	12.6%
<i>Per Unit</i>								
TPO#3		\$ 3,653,974	\$ 305,573		\$ 2,199,298	\$ 70,016	\$ 375,589	10.3%
TPO#4		4,301,334	260,535		2,683,910	340,673	601,208	14.0%
Total		\$ 4,041,151	\$ 278,636		\$ 2,489,138	\$ 231,892	\$ 510,528	12.6%

Sources:

Appendix B, Schedules 2 - 3.

Appendix C, Schedule 1.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix E

Calculation of Cost Savings Attributable to Mitsubishi's Three-Piece Nacelle

	Costs per Mile	
	1,000 Miles	1,750 Miles
19 axle truck	\$ 90	85
Mitsubishi Current Trailer	65	54
Cost Savings per Mile	\$ 25	\$ 31
Distance in Miles	1,000	1,750
Cost Savings per Wind Turbine	\$ 25,000	\$ 54,250

Sources:

Appendix E, Schedules 1 - 2.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.**Appendix E****Summary of Transportation Costs Using a 19 Axle Trailer****Schedule 1**

<u>Distance in Miles</u>	<u>Cost</u>	<u>Cost per Mile</u>
1,000	\$ 90,000	\$ 90
1,750	148,750	85

Source:

GENDTX07692734.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix E

Summary of Mitsubishi Trailer Costs for Transport of Current Three-Piece Nacelle

Schedule 2

City	Cost			
	1000 miles	Per Mile	1,750 miles	Per Mile
Everett, WA	\$ 58,000	\$ 58	\$ 82,000	\$ 47
Longview, WA	58,000	58	80,000	46
San Diego, CA	58,000	58	80,000	46
Galveston, TX	52,000	52	78,000	45
Baltimore, MD	110,000	110	160,000	91
Ft. Smith, AR	54,000	54	80,000	46
Average	\$ 65,000	\$ 65	\$ 93,333	\$ 54

Source:

MHINDTX3920887.

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix F
Schedule 1

Summary of GE Agreements

Bates	Agreement Title	Licensor	Licensee	Licensed Product	Settlement	Cross License	Effective Date	Exclusive	Territory	Sublicense	Royalty	
											Running Royalty	Lump Sum
GENDTX00104893 - GENDTX00104932	Settlement and Cross-License Agreement	General Electric Company	Enercon GmbH and Mr. Aloys Wobben	Equipment, components and/or methods used in components, systems, hardware and/or software used in the conversion of wind energy to another form of energy, such as electricity.	Yes	Yes	5/10/2004 (signed)	No	Worldwide	No	Fully paid-up	
	Settlement and Cross-License Agreement	Enercon GmbH and Mr. Aloys Wobben	General Electric Company	Equipment, components and/or methods used in components, systems, hardware and/or software used in the conversion of wind energy to another form of energy, such as electricity.	Yes	Yes	5/10/2004 (signed)	No	Worldwide	No	Fully paid-up	
GENDTX00104958 - GENDTX00105004	Settlement and Cross License Agreement	GE Wind Energy, LLC	Gamesa Eolica, S.A.	Products, articles, methods, systems, apparatus or processes used in the conversion of wind energy to electricity, for use in wind turbines.	Yes	Yes	4/1/2005 (signed)	No	Worldwide	No	Fully paid-up. Gamesa to pay \$23,300,000 consideration.	
	Settlement and Cross License Agreement	Gamesa Eolica, S.A.	GE Wind Energy, LLC	Products, articles, methods, systems, apparatus or processes used in the conversion of wind energy to electricity, for use in wind turbines.	Yes	Yes	4/1/2005 (signed)	No	Worldwide	No	Fully paid-up	
GENDTX00104868 - GENDTX00104877	License Agreement	GE Power Technology LLC	Americas Wind Energy, Inc.	Wind turbine products having greater than 105 kilowatt and less than 1 MW power producing rated capacity	No	No	5/12/2005 (signed)	No	United States, Canada	No	\$32,500 / MW	
GENDTX00105046 - GENDTX00105054	Patent License Agreement	GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc.	VENSYS Energiesysteme GmbH & Co. KG	Wind turbines made, sold or exclusively designed by Vensys having a direct drive permanent magnet generator	No	Yes	3/3/2006 (signed)	No	United States, Canada, Japan	Yes	\$10,000 / MW from 1 - 99 turbines \$15,000 / MW from 100 - 199 turbines \$20,000 / MW from 200 - 299 turbines \$25,000 / MW from 300 turbines or more	
	Patent License Agreement	VENSYS Energiesysteme GmbH & Co. KG	GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc.	Wind energy turbines, including components, systems, hardware and software used therein	No	Yes	3/3/2006 (signed)	No	Worldwide		Royalty free	

HIGHLY CONFIDENTIAL - ATTORNEYS' EYES ONLY

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix F
Schedule 1

Summary of GE Agreements

Bates	Agreement Title	Licensor	Licensee	Licensed Product	Settlement	Cross License	Effective Date	Exclusive	Territory	Sublicense	Royalty	
											Running Royalty	Lump Sum
GENDTX00105019 - GENDTX00105028	Patent License Agreement	GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc.	Fuhrlander AG	Products, the sale of which would infringe a subsisting and unexpired claim of any Licensor Patents	No	No	4/20/2006 (signed)	No	United States, Canada Additional territories if Licensee elects to include the optional Licensor Patents	Yes	\$14,000 / MW Running Royalty capped at \$11,000,000 excluding payments made by sublicensees. After 3 years from effective date, this cap increased by 2.5% per year.	
GENDTX00105055 - GENDTX00105076	Patent License Agreement	GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc.	Harrington License Company, LLC	Wind turbines designed to generate less than 1.25 MW, including the Frisia 56 - 850 kw variable speed wind turbine.	No	No	5/3/2006 (signed)	No	United States, Canada	Yes	\$25,000 / MW for the first 100 MW capacity \$20,000 / MW for greater than 100 MW capacity Royalty rates to increase 3% per year starting in 2008.	
GENDTX00105029 - GENDTX00105045	Patent License Agreement	GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc.	REpower Systems AG	Licensed Products: wind turbines having (i) output currents that are controlled to a zero reactive power and (ii) a pitch controller performing pitch regulation operating dependent of the generator torque controller. Optional Licensed Products: Wind turbines not within the definition of Licensed Products.	No	Yes	6/6/2006 (signed)	No	United States, Canada Additional territories if Licensee elects to include the Optional Licensor Patents	To REpower Systems AG Affiliates	Licensed Products \$7,000 / MW up to and including 2/1/2011 \$3,500 / MW after 2/1/2011 up to and including 1/24/2023 Optional Licensed Products \$19,000 / MW up to and including 2/1/2011 \$9,000 / MW after 2/1/2011 up to and including 1/24/2023 Discounted rates for installed base available if licensee elects option for additional patents and pays per schedule in Attachment 5	\$3,000,000 Initial Fee applied as a credit against the Running Royalties
	Patent License Agreement	REpower Systems AG	GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc.	Wind energy turbines, including components, systems, hardware and software used therein	No	Yes	6/6/2006 (signed)	No	Worldwide		Royalty free	

HIGHLY CONFIDENTIAL - ATTORNEYS' EYES ONLY

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix F
Schedule 1

Summary of GE Agreements

Bates	Agreement Title	Licensor	Licensee	Licensed Product	Settlement	Cross License	Effective Date	Exclusive	Territory	Sublicense	Royalty	
											Running Royalty	Lump Sum
GEWT00676073 - GEWT00676087; GENDTX00104867	Patent Cross-License Agreement	GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc.	Acciona Windpower, S.A.	Wind turbines up to 3.0 MW, including components, systems, hardware and software used therein	No	Yes	6/23/2006 (signed)	No	United States, Canada, and other countries where patents listed in Attachment 1 have issued		<u>U.S. and Canada</u> \$21,000 / MW up to and including 12/31/2011	\$10,000,000 Initial Fee for the Initial 1,000 MW in U.S. and Canada; \$8,500,000 Initial Fee for the Initial 1,500 MW in countries where Licensor Patents have issued, but excluding the U.S. and Canada.
											\$15,000 / MW up to and including 12/31/2017	
											\$8,000 / MW up to and including the date of the last to expire of Licensor Patents	
											<u>Other Countries</u> \$16,000 / MW up to and including 12/31/2011	
											\$12,000 / MW up to and including 12/31/2017	
	Patent Cross-License Agreement	Acciona Windpower, S.A.	GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc.	Wind energy turbines, including components, systems, hardware and software used therein	No	Yes	6/23/2006 (signed)	No	Worldwide		\$6,500 / MW up to and including the date of the last to expire of Licensor Patents	
											<u>Spain</u> \$6,500 / MW	
GENDTX00104933 - GENDTX00104957	Patent License Agreement	GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc.	EU Energy Inc.	D6 and D8 wind turbines and components and systems thereof and hardware and software used therein and reasonable improvements and variations thereof	No	No	10/6/2006 (not signed by licensee)	No	United States, Member countries of the European Patent Office, Canada, Japan, China, Australia	Only to EU Energy Affiliates	\$25,000 / MW after Initial Fee	\$6,000,000 Initial Fee for 280 MW Initial Fee includes consideration for Licensed Product sold prior to effective date, represented to be less than 350 MW of D6 and D8 products.
GENDTX00104847 - GENDTX00104866	Patent License Agreement	GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc.	AAER, Inc.	1.5 MW wind turbine or an optimized model of up to 1.65 MW, and components and systems thereof and hardware and software used therein	No	No	4/13/2007 (signed)	No	United States, Canada, Mexico	Only to AAER Affiliates	\$30,000 / MW after Initial Fee	\$3,750,000 Initial Fee for 150 MW
GENDTX00104878 - GENDTX00104892	Patent License Agreement	GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc.	Blitz F08-eins-null- drei GmbH to be renamed Powerwind GmbH	Powerwind 56, 0.9 MW wind turbine, components and systems thereof and hardware and software used therein	No	Yes	10/27/2008 (signed)	No	Member countries of the European Patent Office	Only to Powerwind Affiliates		Conergy to pay Licensor \$1,750,000 Initial Fee for 450 MW Powerwind has option to pay \$1,750,000 (escalated at 3.5% annually) for additional 450 MW
	Patent License Agreement	Blitz F08-eins-null- drei GmbH to be renamed Powerwind GmbH	GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc.	Wind energy turbines, including components, systems, hardware and software used therein	No	Yes	10/27/2008 (signed)	No	Worldwide		Royalty free	

HIGHLY CONFIDENTIAL - ATTORNEYS' EYES ONLY

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix F
Schedule 1

Summary of GE Agreements

Bates	Agreement Title	Licensor	Licensee	Licensed Product	Settlement	Cross License	Effective Date	Exclusive	Territory	Sublicense	Royalty	
											Running Royalty	Lump Sum
GENDTX00105005 - GENDTX00105018	Patent License Agreement	GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc.	Guangdong Ming Yang Wind Power Technology Company Ltd.	1.5 MW wind turbines, components and systems thereof and hardware and software used therein	No	Yes	11/28/2008 (signed)	No	United States, Canada, Mexico	Only to Guangdong Ming Yang Wind Power Technology Company Affiliates		\$100,000 Initial Fee for 3 MW
	Patent License Agreement	Guandong Ming Yang Wind Power Technology Company Ltd.	GE Infrastructure Technology LLC and GE Infrastructure Technology International Inc.	Wind energy turbines, including components, systems, hardware and software used therein	No	Yes	11/28/2008 (signed)	No	Worldwide		Royalty free	

HIGHLY CONFIDENTIAL - ATTORNEYS' EYES ONLY

General Electric Company v. Mitsubishi Heavy Industries, Ltd. and Mitsubishi Power Systems Americas, Inc.

Appendix F
Schedule 2

Summary of Mitsubishi Agreements

Bates	Agreement Title	Licensor	Licensee	Licensed Product	Settlement	Cross License	Effective Date	Exclusive	Territory	Sublicense	Royalty	
											Running Royalty	Lump Sum
MHINDTX3903603 - MHINDTX3903647	Technology License Agreement	TPI Technology, Inc. and TPI Composites, Inc.	VienTek, LLC; VienTek II, LLC; VienTek Mexico, S. de R.L. de C.V.; Mitsubishi Power Systems, Inc.; and Mitsubishi Heavy Industries, Ltd.	Wind turbine blades employing proprietary technology relating to a resin transfer molding process that uses a vacuum to pull liquid resin into a dry lay-up and is used for manufacturing high quality, repeatable composite parts with virtually zero VOC emissions, and any components thereof.	No	No	3/29/2002	No	Japan and the geographic content of North America.	Yes to Affiliates.	Fully paid up, provided that the license fee has been paid.	MHI to pay a license fee of \$1,500,000.
MHINDTX3903592 - MHINDTX3903602	Quitclaim Nonexclusive License Agreement	Thomas A. Wilkins	Mitsubishi Heavy Industries, Ltd.	Wind turbine generator, the manufacture, use, and sale of which falls within the scope of the claims of the Licensed Patent.	No	No	12/18/2009	No	U.S.	Yes to Related Companies and MHI's customers and contractors.	MHI to pay \$2,500 per MW for each Licensed Wind Turbine. If Wilkins grants the Licensed Patent to any third party in the future, and those terms are more favorable than the terms in this agreement, MHI may accept such more favorable payment terms.	MHI to pay a license fee of \$1,000,000. MHI to pay an additional \$1,000,000 as prepayment of running royalties due in the future for the first 400 MW of Licensed Wind Turbines imported under this agreement.